

Australia's General Aviation Industry

Submission to the Senate Rural and Regional Affairs and Transport Legislation Committee

The following recommendations are copied from the appropriate location in the body of the text:

Recommendation 1: A survey should be commissioned to study the age demographic of people in general aviation. The study should differentiate between those who fly for pleasure, those who want a professional career in GA (eg instructors) and those who are learning to fly to become airline transport pilots (who will leave the GA cohort).

Recommendation 2: If the government wishes to give GA greater support where CASA is concerned or just to raise the profile of GA with CASA, the Minister should give CASA's Board explicit directions in the Statement of Expectations in whatever areas it determines appropriate.

Recommendation 3: With reference to the Minister's Statement of Expectations paragraph (c), the government should direct CASA in specific terms to take a "pragmatic, practical and proportionate approach to regulation" as it applies to the industry sector of GA, bearing in mind that the government considers the loss of 380 lives per annum in one State in the industry sector of Public Roads to be tolerable in risk terms.

Recommendation 4: The General Aviation Advisory Network (GAAN) should make publicly available on the Department's website the minutes of its meetings.

Recommendation 5: The GAAN should make publicly available on the Department's website the progress on its priorities in the GA Flight Plan including any draft "strategic outlook".

Recommendation 6: At the end of each GAAN meeting, there should be a 5-minute discussion of the productivity, commitment and effectiveness of that meeting which should be minuted.

Submission:

Prior to my retirement in 2016, I was the Executive Manager, Airspace and Aerodrome Regulation at the Civil Aviation Safety Authority from 2007 to 2016. Prior to that I held posts relating to all aspects of aviation regulation in the Air Traffic Management sector of the industry from 1989 to 2007 with the Safety Regulation Group of the UK Civil Aviation Authority. For most of the period from 1971 to 1989 I was an air traffic controller. I held a Private Pilot's Licence from 1971 to 2007. In the period 1980 – 1981 I held a US FAA Commercial Pilot's Licence and Instrument Rating, and I was a Certified Flight Instructor and Ground Instructor.

During, and after, my tenure with CASA, I have heard on many occasions from different people that the Civil Aviation Safety Authority (CASA) is killing General Aviation (GA) with its new, onerous rules. *In this submission I shall discuss whether that is a valid claim and make **recommendations**.*

Prior to COVID-19, in the 1960s, 1970s and 1980s, Cessna, Piper and others were building thousands of aircraft every year. General Aviation (GA) aircraft rolled off the production lines in their thousands. Fuel was cheap. The airlines served very few places and for those they did, the fares were exorbitant. Surface transport was non-existent. Airliners formed a much smaller proportion of aviation, so GA was king around the major cities and out in the regional areas and farms of Australia.

Landing fees at aerodromes were low or non-existent because most of them were owned and operated by the government. One hundred per cent of the taxpayers were paying for a facility used by a tiny percentage of the population. All aerodromes are now owned by local government shires, privately owned or leased by the government to private companies. They all want to make a return

on their investment, so they look to encourage the more lucrative operations – the heavier aircraft, not GA. GA aircraft, to the bigger aerodrome operators, are a nuisance to be discouraged because they take time, effort and money to accommodate and bring in little revenue compared to other income streams. For most of the government-owned leased aerodromes rental of real estate on the aerodrome is far more profitable than GA. Look at the developments of office blocks and shopping malls at Canberra Airport.

There are many income streams for airport operators more lucrative than GA.

Aviation was glamorous and people aspired to be pilots. Many (like me) were prepared to dedicate the months of studying, the hours of flying and the thousands of dollars needed to become pilots. Some would then rent an aircraft when they needed one but there were many who would pay the princely sums (even then) to own and operate an aircraft.

In those days, if someone wanted to travel from a regional town to a major city, let's say, Mackay to Brisbane it would have taken 10 – 12 hours by car. For a day's work, two nights in Brisbane would have been required with two long days of driving on reasonably poor roads. So, if they were a pilot, they didn't drive.

This same person could fly a general aviation, single-engine, light aircraft. The driving at each end would be about the same (from home to Mackay airport and Brisbane or Archerfield Airport to destination). Let's assume an hour to prep the aircraft and file a flight plan, and then 4 to 5 hours flying. The same journey could be done with only one night in Brisbane – Two, half-day's business and home the second day. If you loved GA, you could make the case.

Today, the killer blow to GA is competition. And the competition is coming from all quarters.

Inflation has changed the value of the dollar over the years but, making the comparison in today's dollars, 8 - 10 hours for the Mackay-Brisbane trip in a light aircraft plus landing fees? Between \$2,000 and \$3,000. However, the same trip (pre-Covid) on a Low Cost Carrier (LCC) airline, return, was \$110. Furthermore, as a passenger (not flying the aircraft), there's no fatigue to worry about, such aircraft rarely divert due to weather, one can have an alcoholic drink and can get some work done on the flight. So, if this person is serious about business costs, they are not going to use GA.
LCCs operate to many more airports than hitherto and at significantly lower cost than GA.

Competition from LCCs is significant and there's more competition, literally, coming down the road. Cars.

The old Pacific Highway from Sydney to Brisbane was bad. A single-lane road, lots of towns without by-passes, everybody pressing on, overtaking into the face of the oncoming traffic. Now it is largely dual-carriageway – just stick the car in “cruise” and enjoy the journey. Same for Sydney to Melbourne. The cars are safer and more comfortable than they were, with all sorts of entertainment to keep the driver and passengers occupied. The cost from Sydney to another regional centre, say Port Macquarie, and back would be about \$280 in a car. In a light aircraft, the bill would be upwards of \$1,000. In addition, it could take nearly as long to drive through the Sydney traffic to Bankstown, prep the aircraft, fly to Port Macquarie and get a taxi to destination as it would to drive to Port Macquarie. Only an enthusiast would fly because the case can't be made on cost. And nowadays the aircraft could easily be 40 years old. Factor-in the potential delays from inclement weather and the stress that dodgy weather induces to “press on” to get to the meeting or get home for the kids' school play. Driving is so much easier and more reliable. Furthermore, pretty soon we won't even have to drive the car – it'll drive itself.

Cars have become another serious competitor to GA.

In days gone by, there were very few airlines and fewer destinations served. GA took up the slack carrying light freight like cheques and urgent, high-value items. Consider the boom in on-line shopping. How much of that goes by air in a light aircraft? Next to nothing. And who uses cheques

now? I received one recently for a refund on my car rego from NSW and I had to go to the bank to ask what to do!

Less and less freight is carried by GA.

Technology is not just taking over in the financial area – another example is video conference calls – why fly in a light aircraft or even an airliner, for that matter, if one doesn't have to? Just sit at the desk and have the meeting on-line.

Video conferencing has reduced the need to travel.

GA is not just about travelling from A to B. Consider surveys of roads, powerlines, pipelines, farm crops and feral animals. Before I left the Civil Aviation Safety Authority, over 4 years ago, we had already approved operators of Remotely Piloted Aircraft Systems (drones) to conduct "Beyond Visual Line of Sight" surveys of roads, powerlines and feral animals. I don't know the relative cost of a drone to an aircraft with a human pilot but, for the simpler work within visual line of sight like aerial photos, the drone is orders of magnitude cheaper.

It's inevitable that drones will increasingly take work away from GA.

When I was young, I would drive out to the local airports just to watch the aircraft. I was not alone – the boundary fence was lined with people. I couldn't wait to fly - I gained my PPL at age 18 in 1971. I just learned to fly for the fun of it. Where are all the youngsters who just want to fly for the fun and love of it now? Leaning on the fence watching the aircraft? No, they have other things to do with their time. My kids are now mid-thirties and enjoyed coming flying with me. However, they didn't want to make the investment in time and money to get a licence. They like to play golf occasionally but won't make the commitment in time and money to join a golf club. They have bungee-jumped, climbed mountains, rafted, mountain-biked, scuba-dived, road cycled, parachute-jumped, skied, jogged and competed in triathlons. And for many others, there are also the attractions of games consoles, computers, tablets and smart phones.

In December 2017 the Bureau of Infrastructure, Transport and Regional Economics (BITRE) published the report on its General Aviation Study. It is interesting to note that it came to many of the same conclusions I have raised in this submission. However, one particularly significant area which was not covered was the age demographic of the GA community especially the private flying sector.

Recently, I was told the average age of the members of a local flying club was in excess of 60. What will happen to that club in a few years when all its members have lost their medicals or are dead? What is that club doing to sustain itself? If CASA relaxes its rules, do they really think the people will come flooding back into GA? I don't. They are not interested in spending the months of study and thousands of dollars for pilot's licence. If they do consider gaining a pilot's licence, what are they going to do with it? If they are an enthusiast, like me, they could fly to another aerodrome for lunch. However, if they want to use it for business there are better, quicker, cheaper, more reliable, more comfortable ways of doing it. CASA isn't killing GA, it's dying of old age!

The culture of the younger people in Australian society has changed: They like to try many things but they don't want to specialise eg by gaining and maintaining a pilot's licence.

Recommendation 1: A survey should be commissioned to study the age demographic of people in general aviation. The study should differentiate between those who fly for pleasure, those who have a professional career in GA (eg instructors) and those who are learning to fly to become airline transport pilots (who will leave the GA cohort).

In addition to all of the above, there other challenges being dealt with by GA: cost and availability of Avgas, increasingly old, increasingly expensive aircraft and increasing rents for office and hangarage space. Furthermore, the bigger aerodrome and airport operators are trying to drive out GA because there's no money in it.

There are many financial pressures on GA other than the cost of regulation.

With regard to the Terms of Reference a ii: If CASA is introducing new regulations, the real question to be answered is, “Are the new regulations necessary on safety grounds?” According to the Australian Transport Safety Bureau (ATSB) (Aviation Occurrence Statistics, 2008 to 2017), the number of departures in 2008 for GA (which does not include Recreational Aviation) was 1,949,000 and in 2016 was 1,920,000 (ATSB numbers exclude medical transport and gliding); a negligible decline. However, according to the ATSB, “flying hours are a more useful measure of exposure for general aviation because of the higher risk of an accident outside of approach and landing and take-off phases of flight.” The hours flown by GA in 2008 were 1,439,000 and in 2016 were 1,301,000 – a decline of 138k over 9 years – say 1% per annum. Hours flown in some categories have declined significantly such as flying training, private/business and sport activity, whereas aerial work has increased.

The ATSB’s figures show that the total accident rate, per hours flown, for GA operations are nine times as likely to have an accident compared to commercial air transport operations. Incidentally, Recreational Aviation operations are twice as likely to have an accident as GA.

When it comes to fatalities, the ATSB states, “The fatal accident rate, per hours flown, indicates general aviation operations are around fifteen times more likely to experience a fatal accident than commercial air transport operations.” Again, Recreational Aviation is double GA.

How many people were killed in GA in this same 9-year period? 206. In risk terms, does the general public tolerate this rate of fatalities? Yes. This statement is made on the basis that the media is not full of cries for CASA to do more. Or even, anything! 23 people being killed in GA every year is tolerable to the Australian general public. For comparison, there were 380 people killed on the roads in NSW in 2016 (Transport for NSW, Centre for Road Safety). Yes, that was 380 people, in one year, in one state.

In answer to the question, “Are the new regulations necessary on safety grounds?” In risk terms and tolerability to most of Australian society, the answer must be “No”. The Civil Aviation Act 1988 (the Act), s3A states, “The main object of this Act is to establish a regulatory framework for maintaining, enhancing and promoting the safety of civil aviation, with particular emphasis on preventing aviation accidents and incidents.” It goes on to say in s9A, “(1) In exercising its powers and performing its functions, CASA must regard the safety of air navigation as the most important consideration.”

Therefore, as a safety regulator seeing that the accident rate for GA was nine times that of commercial air transport and the fatality rate was fifteen times that of commercial air transport and being required to enhance and promote the safety of civil aviation, and regard the safety of air navigation as the most important consideration, where should CASA be placing “particular emphasis on preventing aviation accidents and incidents”?

If it is agreed that GA declining by 1% per annum is GA being killed, then, what is doing the killing? CASA gets the blame because CASA is just a soft target. It’s easier to blame CASA than it is to do what may be necessary to help GA survive and thrive which may be very hard indeed in the current climate.

CASA may be a contributory factor in the gradual demise of GA but GA must look to the changing world around it for the main reasons people no longer choose to fly in light aircraft. The leaders in GA must stop wishing for the good old days to return and hoping that things will change if they complain bitterly enough. If they want GA to thrive they must work even harder to encourage a new generation of potential pilots to come in through the door.

The aviation environment has changed enormously since the 1960s and 70s and, there’s no doubt, it will get increasingly difficult for GA. Concepts and technology already in use such as video-calling, email, drones and ride-sharing will proliferate further and technology not yet considered will arrive to make life even harder for GA. Taking a pop at soft targets like CASA won’t change things for GA – the challenges already here and those coming quickly round the corner are inexorable.

Competition from a wide variety of sources will either drive GA to improve and thrive or will kill it.

Turning now to the Terms of Reference part a and the role of the Minister (who is the leader of the National Party [traditionally representing graziers, farmers, and rural voters generally]) and the Department of Infrastructure, Transport, Regional Development and Communications (the Department).

The Act s9 (1) requires CASA to regulate GA in accordance with the Act and the Regulations. The Act s12 Directions states, “(1) The Minister may give the Board written directions as to the performance of its functions or the exercise of its powers.” And in s12A (1), “The Minister may notify the Board in writing of the Minister’s views on the following matters:

- (a) the appropriate strategic direction for CASA;
- (b) the manner in which CASA should perform its functions.”

The current Minister’s Statement of Expectations to the board of CASA states:

I expect CASA will continue its regulatory approach, in accordance with its regulatory philosophy, with:

- (a) a focus on aviation safety as the highest priority;
- (b) consideration of the economic and cost impact on individuals, businesses and the community in the development and finalisation of new or amended regulatory changes; and
- (c) a pragmatic, practical and proportionate approach to regulation as it applies to different industry sectors.

These directions already incorporate high-level goals addressing the concerns heard from the GA sector.

I note, however, that there is neither specific mention of GA nor a “Key Aviation Initiative” in the Statement explicitly referring to GA.

Recommendation 2: If the government wishes to give GA greater support where CASA is concerned or just to raise the profile of GA with CASA, the Minister should give CASA’s Board explicit directions in the Statement of Expectations in whatever areas it determines appropriate.

Recommendation 3: With reference to the Minister’s Statement of Expectations paragraph (c), the government should direct CASA in specific terms to take a “pragmatic, practical and proportionate approach to regulation” as it applies to the industry sector of GA, bearing in mind that the government considers the loss of 380 lives per annum in one State in the industry sector of Public Roads to be tolerable in risk terms.

The government’s attitude to GA can further be called into question. The Department created a General Aviation Advisory Network (GAAN) which meets up to 4 times per annum. There are no minutes available on the Department’s website so I cannot report on what has been discussed. In May 2018 the GAAN published a General Aviation Flight Plan - Work Plan 2018–2019. The Plan has three priorities:

- Articulate a long-term strategic outlook for general aviation in Australia.
- Take into account stakeholder views on how air safety regulation can support general aviation through consistent and proportionally responsive administration.
- Enhance general aviation industry capability through better workforce planning and access to airspace and infrastructure.

There is no indication of how the Department is driving the implementation of these priorities, no indication of whether these priorities have been adopted by GA, there is not even a paper showing progress on these topics which the GAAN members themselves have described priorities.

There is no information available on the website relating to the ongoing work of the GAAN.

Recommendation 4: The General Aviation Advisory Network (GAAN) should make publicly available on the Department’s website the minutes of its meetings.

Recommendation 5: The GAAN should make publicly available on the Department's website the progress on its priorities in the GA Flight Plan including any draft "strategic outlook".

The fact that no detail is published about the workings of the group or the Department and that we are in 2020, a year beyond the closing date of the work plan, implies that the group and/or the Department are not committed or effective.

Recommendation 6: At the end of each GAAN meeting, there should be a 5-minute discussion of the productivity, commitment and effectiveness of that meeting which should be minuted.

End.