

I hold fixed wing and rotary wing commercial pilot licences and have been flying since 1976. My comments reflect 45 years of general aviation experience in Australia, of which the last 15 years has involved engaged in the rotary wing regulatory environment.

- a. *the legislative and regulatory framework underpinning CASA's aviation safety management functions, including:*
 - i. *the application of the Civil Aviation Act 1988 and the Civil Aviation Safety Regulations 1998 to Australia's aviation sector, and whether the legislation is fit for purpose;*

Australia has an enviable aviation safety record and there should always be a climate in which both regulators and operators pursue improvements while maintaining a viable aviation industry. Unfortunately, neither the Act, nor CASA's regulatory approach to implementation, are fit for purpose. The narrow, over arching focus on safety works against the maintenance and enhancement of a viable aviation industry.

The Civil Aviation Act 1988 requires CASA to focus on matters related to aviation safety and compliance, regarding the safety of air navigation as its most important consideration. CASA is also charged with considering the economic and cost impact on individuals, business and community standards, taking into account differing risks associated with industry sectors.

Despite published statements to the contrary, CASA continues to develop and implement major legislative and regulatory reform in the absence of information demonstrating the safety concerns requiring such change, the potential financial and economic impact on the industry, or the safety outcomes of such changes.

CASA's engagement with operators in general aviation is generally biased towards compliance, and an approach that is adversarial in nature. Despite what CASA says is its approach to industry, it fails to consult adequately or to do so in a truly cooperative manner.

The development of aviation standards has been anything but clear or concise as required by the Act. The regulatory framework is far more complex today than it has been historically. Current regulations are much more detailed and prescriptive by a factor of many hundred of pages, than those they have replaced. The financial cost of compliance by operators has increased substantially as a direct consequence of this complexity. CASA has also failed to evaluate the financial impact on the aviation industry of these changes.

In none of the regulatory reforms discussed below, has an evidence based safety case been provided to the aviation industry by CASA in support of the change. In each case, a significant financial burden has been imposed on

general aviation operators required to implement these new and complex regulatory requirements.

The proposed CAO 48.1 fatigue management changes appear to have been developed primarily to address the complex operations of the major airlines, with little regard for the variable and often much simpler operations of general aviation. While CASA has made much of the scientific case for reform in its promotion of the change, it has not documented any identified adverse safety outcomes affecting the industry which demonstrate the need for major regulatory overhaul.

This particular regulatory change highlights one of the deficiencies in CASA's inconsistent approach to regulatory reform. It is now seven years since operators were first required to develop fatigue management processes and procedures for CASA assessment and approval. As of August 2020, the reform has still not been finalised.

CASA has regularly changed its fatigue management requirements in each of the intervening seven years, creating uncertainty across the general aviation community. The general aviation community has expended considerable time and resources over this period to develop fatigue management procedures, only to have the requirements change with each iteration of the proposed regulation. In 2019, CASA abandoned the approval process requiring CASA approval, indicating that operators could simply incorporate the changes into their operations manuals and that CASA would check compliance at some later point in time. In 2020, CASA again extended the date for operators to implement the changes by another year.

ii. the safety and economic impacts, and relative risks, of CASA's aviation safety frameworks; and

During the process of regulatory reform, CASA has progressively transferred the risk associated with managing aviation safety from CASA, its management and staff, to the aviation industry and more specifically to local general aviation operators. CASA staff, including team leaders and flight operations inspectors, focus on finding fault with local operators and ways of transferring risk away from CASA, rather than identifying ways in which the industry and local operators can improve the quality of aviation.

Our company employs three full time flight instructors. In order to develop the new training materials required to obtain Part 141 approval as a flight training organisation, we needed to employ an additional person at considerable financial cost to develop the material required. This posed a major financial stressor on the company. We experienced similar financial pressure to meet the compliance and documentation requirements of other safety frameworks such as those required to meet the Part 61 licensing standards.

CASA's primary focus on safety to the exclusion of other impacts, places a significant burden on the viability of small local operators in the general

aviation sector. The cost of compliance becomes a major financial consideration. The risks posed by this focus on safety go to the basic economic viability and survival of the operators in general aviation.

iii. the engagement of CASA with other relevant Australian Government agencies;

the immediate and long-term social and economic impacts of CASA decisions on small businesses, agricultural operations and individuals across regional, rural and remote Australia;

The impact of CASA's decisions on small business across rural Australia, should not be made in isolation from its impact on general aviation generally or local operators in particular. The majority of the general aviation industry across Australia operates as small businesses. General aviation typically operates on small margins.

Any CASA regulatory or operational requirement that adds to the cost of operating a business adds to financial stress in an industry that is constantly under strain. The closure of a general aviation business that services communities in rural and regional Australia has a major flow on effect in social and economic terms. The current Corona virus pandemic is providing a super sized example of the marginal nature of many businesses in general aviation.

b. CASA's processes and functions, including:

i. its maintenance of an efficient and sustainable Australian aviation industry, including viable general aviation and training sectors;

The establishment of two separate and different regulatory flight training frameworks under Part 141 and Part 142 is one the most perplexing. Despite the fact that the type of training required to obtain a commercial pilot licence under each regime is the same, the examinations are the same, and the qualifications are the same. Despite this, CASA has established a regulatory regime that imposes a different set of requirements on operators under each Part, and that unnecessarily increases recurrent training costs to both operators and students.

In order to obtain approval as a Part 141 training provider, CASA imposed a complex and costly process on operators to develop the required new training manual. Consequently, the new training manual comprises 1100 pages replacing the company's previous 135 page training documentation. This complexity has increased the cost of flight training directly to students undergoing commercial flying training. The cost to achieve Part 142 approval is much higher. We are aware of at least one general aviation operator who incurred costs of over \$200,000 to achieve Part 142 approval.

The Part 141 manual is only one of many manuals operators are required to maintain. CASA requires both operators and pilots to read and be familiar

with the content of each, signing an acknowledgement to that effect. At a practical level, it is unrealistic for CASA to expect pilots to be fully conversant with such detailed content. CASA is facing potential legal liability arising from a regulatory framework with documentation so detailed, and complex that is beyond the reasonable capacity of individuals to absorb.

ii. the efficacy of its engagement with the aviation sector, including via public consultation; and

CASA as Australia's regulator is the aviation subject matter expert. CASA managers and flight operations inspectors by definition are also expected to be subject matter experts. Time and again, individual CASA staff have been found to be not fully conversant with the legislation or regulations that they administer. Considerable time has been spent over many years as an operator challenging and correcting what appears to be inadequate knowledge of CASA staff, required to gain operational and administrative approvals that CASA requires.

CASA lacks experienced flight operations inspectors who are qualified in rotary wing operations. FOI's responsible for assessing pilots are often less experienced than the company pilots they are assessing, particularly on more complex helicopters. In a recent experience, a rotary wing FOI conducting pilot assessment required the company chief pilot to be onboard to use the FOI was not endorsed on the helicopter type.

The general approach of individual CASA staff during surveillance activity is to identify fault and non compliance with the regulations. This is usually associated with associated threats of punitive action for non compliance. CASA surveillance reports still do not comply with the transparency and consultation requirements of national audit standards. Surveillance reports are generally silent concerning matters of high quality or good performance.

Following increasing difficulty in communicating effectively with individual personnel in the local regional office, without explanation CASA abruptly transferred responsibility to a regional office over 1000 kilometres away. This occurred, part way through the major process of developing the new flight training syllabus required for approval as a PART 141 training organisation.

One consequence of this change was having to revisit and renegotiate major parts of the process, due to the opposing views of individual CASA staff across CASA regions responsible for assessing the material. Operators face the constant challenge of managing the conflicting views among FOI's about regulatory requirements.

Summary

CASA's regulatory reform program, based as it is on safety, has not demonstrated safety deficiencies that required reform in the first place. Regulatory reforms have not addressed the financial or economic impact of

proposed changes. Post implementation, has not documented the safety improvements of reforms, nor the safety improvements arising from them.

Despite public statements to the contrary, CASA's interaction with the general aviation industry continues an adversarial approach to implementation and surveillance.

These issues have been identified and have been well documented in previous reviews. The problems are long standing and reflect a deep seated culture within CASA seeks at every opportunity transfer risk from itself to general aviation. CASA's resistance to change is also well documented. Until the organisation's resistant culture can be changed, the viability of general aviation will continue to decline rather than thrive.