

CHINA SOUTHERN WEST AUSTRALIAN FLYING COLLEGE

To:- The Joint Committee of Public Accounts and Audit
From:- Chief Pilot / Security Manager
China Southern West Australian Flying College
31 – 35 Eagle Drive Jandakot Western Australia 6164
Date:- 29th June 2005
Subject:- Review of Aviation Security in Australia – Written submission

The Secretary,
Dear Sir / Madam

I wish to submit the following for consideration at the forthcoming review as a probable associated subject under paragraph (e) of the Terms of Reference.

May I introduce my submission by indicating that this College has, at some expense, put in place the required “Safer Skies” Aviation Security Programme. Might I also add that the dramatic cost imposts borne by General Aviation are and will threaten the operational viability of this College, an identity that results in something like 30% of all the Commercial Pilot Licenses issued in Australia.

Over the past recent years, for example the exam fees which are directly borne by this College and indirectly borne by the College's parent, China Southern Airlines, have increased from \$47 to \$1080 *per student*, with no choice of exam facility or invigilator available. There is no refund for a cancelled exam booking. There are other examples.

This arm of General Aviation does not enjoy the ability of adding dollars to the ticket price of our paying customers to cover costs and protect the rewards of our shareholders. We have no paying customers. The parent can find an adequate cheaper replacement training organisations in China. Be well aware also that the United States, having recovered from the knee-jerk following 9/11 is now in the active programme of developing and reestablishing the flying support businesses devastated by the prohibition of foreigner students. They have rationalised their counter-measures and the businesses are aggressively seeking new activity. This they can do with vastly reduced costing compared to the financial exploitation that marks this country. I make the following statement in all seriousness, this organisation is genuinely under threat.

I realise that your concern at this inquiry is on the subject of security and it is further thoughts on this aspect that I will confine my following remarks.

We live in fear that the cost imposts of security screening for the issue of suitable I/D cards will further weaken the viability of the College. We are concerned that there may develop another monopoly organisation charged with the associated screening and documentation.

At a general aviation field there will always be visitors and casual (non-industry) passengers and it is up to the aircraft operator to ensure that the security protections are enforced, but as far as access to airside is concerned, surely the production of a valid Pilot License is adequate proof of right-of-access. Bear in mind that the diligent aircraft operator, still has the right and responsibility to validate the bona-fides of any person the reason for whose presence may not be readily obvious.

It is also of concern to us that Police Clearances can be issued, at \$50 per candidate, purely because that candidate does not have a Police record. This College is just about to process 250-300 Chinese students per year, imposing on the College yet another cost, this time somewhere around \$12500 to \$15000 per year....over \$1000 per month. The students have no previous evidence of Australian occupation, therefore obviously no record, yet this costs us the associated fee. The equal worry is that some commercial organisation will be given the mandate to process these applications at even further enhanced fees.

CASA states that by the end of this year, all pilot licences will be of the photocard type, requiring yet another police clearance for process. CASA themselves state that they have no ability to process the applications for the new license. Applications already held are not being processed. What a wonderful opportunity to subcontract out this requirement, and along with it the almost certain result that \$50 will become \$160.

Consider, please, that in terms of reduced viability of the College that landing fees at Jandakot increase from \$8.67 / tonne in Jan 2005, through \$9.54 / tonne on 1st July 2005 and up to \$12.69 / tonne on 1st July 2008. This year, for our non-jet training aircraft the landing fees total \$90,043. This is likely to become \$132,000 within three years at the same flying activity rate, a stagnation which is not anticipated.

Similar cost escalations are happening and will continue to occur with regard to fuel pricing.

And as indicated above, we have no customer to absorb the hand-on costs . All that happens is that the viability of the College continues to weaken. The possibility / probability that the largest flight training establishment in the Southern Hemisphere will close and the charter return to the parent in China increases.

It is our fervent belief that in any threat situation, the countermeasure should be in proportion to the threat. Also that any countermeasure is only as strong as the weakest link, for any prospective villain will seek out that weakness and use it to his advantage. The weakness is not our College with it's non-aligned national identity. And yet we bleed..

It is our belief that the countermeasures imposed on General Aviation and more specifically on our College are not in proportion to the threat. It is our deep concern that the security system could well become another commercial empire, and that the countermeasures will, as in so many of the other aviation support arms, become primarily of commercial advantage to the service provider to the detriment of the viability of this College.

In closing, please take some consideration of the fact that many of the decision / policy makers leading the aviation-associated (and other) departments have never been in a commercially threatened business, having been essentially protected for all of their business life by the Australian taxpayer. Believe me, it is not pleasant having to bear the ever-increasing financial burden of compliance. Commercial threat is very real. Please open your eyes to the depressed general aviation scene. Please also open your eyes to the fact that aviation symposium representation is almost exclusively the "heavy end of town" RPT carriers, who have the frequently used ability to increase fares to protect profit and retain the fealty of their shareholders. GA has none of this..

M. L. Collins
Chief Pilot