The Secretary
Senate Standing Committee on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
CANBERRA ACT 2600

Friday, 27 June 2008

Dear Sir's / Ms,

I am a professional pilot with Aviation reference number 163427.

I have owned and operated several Aviation related businesses since 1981. All my businesses have been in what is known within the Industry as "General Aviation".

I am/have been CEO of a Low Capacity Regional Airline, Air Charter and Flight Training businesses.

I am currently the CEO of two Air Operators Certificates (AOC) 1-3BDM7-2 and c513874-10.

I currently hold Chief Pilot, Chief Flying Instructor approvals and Instruments of Delegation to conduct Flight Testing at many levels including initial Commercial licences and Muti-engine Command Instrument Ratings.

I have serious concern that the effective monitoring of Safety Standards is being compromised by the lack of Civil Aviation Safety Authority (CASA) Flight Operation Inspectors (FOI's). These are the people who do understand the issues and the Industry. They are responsible for ensuring that the Civil Aviation Regulations are complied with by the Aviation Operators.

I suggest your committee investigate the number of Flight Operations Inspectors positions that are vacant throughout Australia. I also ask you consider the number of positions that are allowed for within the CASA structure.

You will find that there is a severe shortage of these key personnel.

I know from personal experience that those Flight Operations Inspectors remaining at their overworked and underpaid (relative to current Industry pilot salaries) positions within CASA are doing it through personal dedication and a belief of "duty" which is not reflected within the majority of Public Service employees.

Thrice in the past few weeks, I have received emails from different CASA Flight Operations Inspectors, from two Regions, relating to normal business matters, where these emails have emanated from the FOI's home computer at times well outside CASA working hours. One email was sent around 10:20am on the Sunday morning of the Queens Birthday long weekend. Another email was sent around 21:45 at night. All of these emails were of a routine nature but necessary for my business.

On the negative side, delays in processing of routine applications and requests for minor variations to my Air Operators Certificates have cost my business many tens of thousands of dollars in the past 2 years. These delays are a direct consequence of the number of suitably qualified persons available to process the paperwork. By Regulation, Flight Operations Inspectors must give final checking and approval for any Operations manual or AOC changes.

I also have an Aviation consulting business.

In the past few months I have been assisting a major International Corporation to set up an Aviation Training facility in Australia for 200 trainee pilots from Universities in Singapore and China. This is a

significant export opportunity for regional Australia which will employ around 60 Australians and generate in the vicinity of \$25 million per year in export earnings. The company approached me after 12 Months of trying to get an AOC application sorted out. They were unable to do so and in desperation enlisted my assistance.

The practical solution has been for them to spend A\$120,000 to purchase a "shell" company which held an AOC, but didn't currently need it. Five years ago a similar AOC from a defunct but reputable company was sold by tender for \$16,000. Twelve months ago another sold for \$60,000.

Market forces have obviously recognised the difficulties in obtaining access to new Air Operators Certificates due to the lack of qualified CASA staff.

The facts demonstrate that a "black market" has developed with the effective trading of an Australian Government issued licence (the AOC). This licence should be readily available to suitable persons/business' who meet the Regulatory requirements. These licences/approvals ought to be provided in a timely manner and normal course. The fact that they are not may become a major ingredient in promoting the potential corruption of Australia's public bureaucracy.

When seen in combination with the millions of dollars that are necessary in Aviation business' and the rapid rate at which losses mount when changes or permissions for specific Operations of Aircraft are unobtainable in reasonable timeframes, then corruption is the inevitable consequence. I believe to date this has not occurred; however when the demand for service outstrips the supply within a monopoly such as CASA, I contend it's only a matter of time before human nature will eventually counter ethical intent.

During the current crisis of "experienced pilot shortages", one would have to question why an experienced pilot would work for CASA as a Flight Operations Inspector, when they can work within private enterprise, in one's chosen profession, for double the salary and half the workload. It's a tribute to those FOI's remaining within the CASA organisation that they have done so to date.

If your committee is able to question the Director of CASA and discover the numbers of experienced FOI's who have left CASA in the past 12months, compared with the staff turnover of 5 years ago, and also the number of FOI's that are in place today compared with 5 years ago, your committee should be able to anticipate the future of Aviation Industry Surveillance and the probable medium term Safety outcomes.

Positions recently created within the CASA bureaucracy to help cover the FOI shortages are not able to meet their main objective for legislative reasons. Newly created positions with titles such as "Safety Officers" and other equally official sounding impressive job titles do not make these extra positions capable of meeting the legislative nor Industry requirements to get the basic job done.

I am a proud Australian. I do not wish to see our Aviation Safety standards compromised. I do not want to awaken one morning to find that my business is unable to operate/compete because the limited resources within CASA or any other Government Department, are no longer available to me because I have not "greased" the right palms.

I encourage your inquiry not to just listen to statistics on the number and "Titles" of new staff CASA may have added. Question the relevance of these positions which do not have the authority or expertise to carry out the functions of the specialised FOI's because of Regulatory limitations.

The Aviation Industry must be allowed to grow, but to grow within the confines of the Civil Aviation Regulations. Growth is currently being severely restricted by the shortage of Flight Operations Inspectors.

If your committee considers Aviation Safety is a practical and Political necessity, then I implore you keep the knowledge and experience base of Aviation professionals within CASA at least to a level which can allow adequate surveillance operations, plus have the extra capacity to enable Industry development. I believe that the current numbers of Flight Operations Inspectors within CASA has passed critical level. It is my opinion that the FOI's that are still working in CASA are stretched beyond reason and this will only result in two outcomes.

- 1. A lack of competition as Start-up Operations or the growth of existing businesses is delayed beyond financial viability.
- 2. Reductions in Safety Standards as existing Operators recognise the reduction in CASA Audit standards. I am not referring to the number of Industry Audits, but rather to the quality of those Audits undertaken.

Thankyou for taking the time to read my submission,

Yours Faithfully,

Gregory Raymond Norris