



From The Lefthand Seat

Jeff Boyd
RAAA TWG Vice Chairman
CEO, Brindabella Airlines

The RAAA continues to be at the forefront of protecting, representing and promoting the combined interests of regional aviation throughout Australia.

With this in mind it is especially gratifying to see our association grow and, equally importantly, the participation of members. Your input and efforts are key factors in ensuring the RAAA's success.

Critically important is the RAAA's representation to government, government bodies and a range of other entities of regional aviation's perspective on a myriad of issues. Here in Canberra the high standing of the RAAA amongst key decision and policy makers is particularly satisfying and reflects the continuing efforts of the RAAA Board, office and membership.

Also gratifying is positive feedback regarding the monthly article in Australian Aviation magazine authored by our CEO, Paul Tyrrell.

It goes without saying that the need for the RAAA would be lessened greatly if on all important issues we agreed in full with the positions of others external to our respective organizations. As I am sure you agree, the reality of our industry dictates this is far from the case.

The result is that today the RAAA has to work even harder to represent regional aviation's perspective to a range of government and private sector entities. It's important stuff and not without significant challenges.

By way of example, the quality and number of submissions received by the Productivity Commission for the Inquiry into the Economic Regulation of Airport Services highlights just how high the bar is set. Submissions made by various commercial entities, Government bodies, Airports and other Associations are comprehensive quality documents, well resourced and effectively put forward the interests of those parties.

As a direct result the RAAA has made a considerable investment both in time and resources to have its members' voices heard.

Add to the Productivity Commission's inquiry the significant volume/scope of regulation changes and reviews within the industry being promulgated currently, it is literally dizzying.

Your continuing membership of the RAAA, support and participation at RAAA events, and importantly feedback on issues is essential in allowing the RAAA to continue having an effective and powerful voice.

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Maintenance Regulations

At the recent Technical Working Group meeting in Townsville significant time was allocated to discussion on the new maintenance suite of Civil Aviation Safety Regulations (CASR Parts 42, 66, 145 and 147).

These regulations commence on 27 June 2011.

RAAA members need to be cognizant of the significant challenges that the transition to the new regulations will entail – for our respective organisations and CASA. CASA has reallocated a very significant proportion of their regional office Airworthiness Inspectors and resources to the CASA implementation team. As a result scheduled CAR30 surveillance in the indefinite future will be at a much reduced level.

Furthermore, this reduction of regional office resources has already resulted in documented reduced service levels and delays to CAR30 and AOC certificate holders assessments, variations and approvals.

CASA has advised resources will be allocated to assist industry with documentation and the pathway to approval as a Part 42 Continuing Airworthiness Management Organisation (CAMO) and/or a Part 145 Approved Maintenance Organisation (AMO). However these processes will be complicated and entail significant resources on the part of each affected organisation. Significant resources entail significant cost.

It goes without saying that finite resources dictate that throughout the transition we have to finely balance the demands of implementing change with ensuring our routine day to day operations are safe.

I recommend that RAAA members communicate with the RAAA office issues, difficulties and challenges as they arise leading up to and during the maintenance regulations transition. The RAAA is committed to closely monitoring and raising relevant matters with CASA as needed.

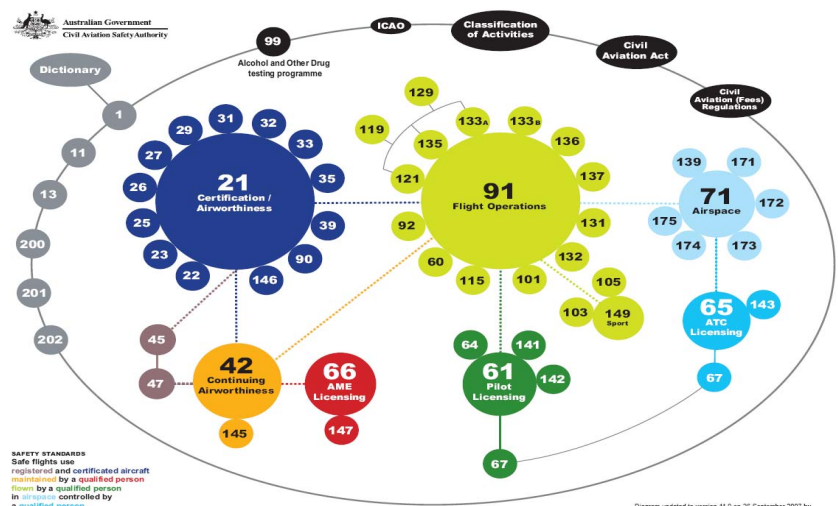
Work is already underway on preparing to engage CASA and government on addressing some of the unintentional consequences of the changes, including disadvantaging small to medium CAR30 maintenance organizations. Specifically those organizations, if they wish to release to service components for fitment to a RPT category aircraft, will incur very significant additional compliance requirements and costs to gain a Part 145 approval.

Aircraft operators, with reference to Part 42 Manual of Standards – Chapter 12, will however be able to fit components having applicable documents issued under the law of a foreign country, eg Brazil and the USA, in many cases by organisations not having the equivalency of Part 145 mandated requirements such as Safety Management Systems, Human Factors, Production Planning etc.

It remains to be seen if this outcome could see Australian jobs lost overseas.

The continuing lack of clarity from CASA on “what’s next” regarding the definition of other categories of operation, eg charter, and the implications for those operations is concerning given the potential ramifications for many of our members. Also this is disappointing given the publicly stated priority CASA allocated to risk based safety outcomes.

Current and Proposed Civil Aviation Safety Regulations





From The Lefthand Seat

Continued



I am personally yet to be convinced that CASA's current focus on regulatory reform for RPT operations, operations already having a very high level of compliance and regulatory oversight, offers the travelling public anywhere near the improved safety benefits of prudent and sensible reform in regards to other categories of operation, in particular non RPT passenger carrying services for commercial reward.

COBAR

I am concluding with a brief insight in to what has been a real highlight in the recent history of Brindabella Airlines and for me personally. It reminds me of just how satisfying regional aviation can be. For those not aware my wife, Lara Corry-Boyd, and I own Brindabella Airlines – operating predominantly RPT services utilising Jetstream 41 and Metro III aircraft from bases in Canberra, Sydney and Brisbane.

It is particularly relevant for an RAAA publication given the good news relates to the NSW regional community of Cobar and the introduction of an air service linking Cobar with Sydney in September of 2010.

Cobar Shire is situated in the centre of New South Wales at the crossroads of the Barrier Highway and the Kidman Way with an area of 45,609 square kilometres. The Shire is almost the same size as the whole of Tasmania. It is home to approximately 5,120 people. The Shire's prosperity is built around the thriving mining - copper, lead, silver, zinc, gold - and pastoral industries, which are strongly supported by a wide range of attractions and activities, that make it a major tourist destination.

Brindabella Airlines, Cobar Shire Council, and mining entities Peak Gold Mines, Endeavor Mine, and Cobar Management Pty Ltd entered in to a risk sharing agreement to re-establish a RPT service for the Cobar community. At that time a 3hrs 30 mins drive to Dubbo was required to catch the nearest flight.

At the service launch Mayor Lillianne Brady hit it on the head when she said 'After almost two years without an air service it is quite an achievement for Brindabella Airlines, the three mines and Cobar Shire to band together with such a wonderful result. It proves that working together can achieve many goals and we extend our congratulations to Brindabella'.

Since that time the service has enjoyed very strong community support to the extent that the service has expanded with additional services and the risk sharing arrangement successfully concluded.

It was recently my pleasure to attend the recent Cobar horse races as a guest of the mayor and I swear I had every man, woman and child in the town (both at the races and in the main street) thanking me and the staff of Brindabella for supporting their community. It seemed it was much more for them than a means of transport, it was a vindication that their town and community mattered.

It was a great reminder to me of just how much value regional communities place on the operations and activities of various RAAA members.

Keep up the great work!





RAAA Events Calendar

RAAA meetings and events are:

- 4 August 2011** - Canberra ACT
 - ✦ Technical Working Group
 - ✦ Board Meeting
 - ✦ Members Function
- 7 - 9 September 2011**
 - ✦ RAAA Annual Convention Hyatt Regency Cooloolm Qld
- 30 November 2011** - Sydney NSW
 - ✦ Annual General Meeting
 - ✦ Technical Working Group
 - ✦ Board Meeting
 - ✦ RAAA Christmas Dinner

Please mark these in your diary and we look forward to your attendance.



Sydney to Cobar - Brindabella Airlines is using a Fairchild Metroliner III



IN THE COCKPIT



From The Righthand Seat

Paul Tyrrell
CEO

It has been a year so far like few others for the RAAA. Since January 1, nine separate government aviation Inquiries have required formal responses. There are another seven topics under active investigation by the Board and the national office. As the RAAA responses are filed they are placed on the web-site and I would encourage all members to visit and take a look.

The Productivity Commission (PC) Inquiry into Airport Regulation required a detailed response and has been forwarded to the government. This innocuous sounding Inquiry is as important as the Aviation White Paper. The RAAA is also recommending a subsequent inquiry into regional aviation to ensure that our issues are not lost given the current inquiry's focus on the five major airports. Even so, the RAAA presented robust arguments that airports act as local monopolies with little countervailing power or recourse available to regional operators.

The upside of all this government activity is that aviation policy, regulations and operations are receiving considerable attention from the federal government.

The downside is that the office has been somewhat Canberra focused with little time thus far to meet with members in the field. I intend to rectify this as much as possible before we gather at Cooloom in September. On the latter point it has been confirmed that Minister Albanese will be attending the Convention for the first time.

Five new associate members and one affiliate have joined the RAAA ranks recently and are welcomed. There appears to be growing interest from overseas companies as the Australian economy strengthens, driven by the resources sector. Regional aviation offers to its customers products and operational flexibilities that are difficult for the mainline operators to match. This increased interest is not expected to abate.

As well as responding to the PC Inquiry the RAAA has been using every opportunity to remind government that it is also a monopoly supplier of services through CASA and Airservices Australia. These entities offer average salaries far in excess of what is available across most of the industry and yet the industry is expected to pay for the privilege of supporting such large bureaucracies.

While the current focus is quite rightly on the monopoly airports we should give equal attention to government aviation monopolies, including their charges and quality of service. The RAAA will do its utmost to ensure that this focus is maintained, particularly as the air traffic controllers' EBA negotiations draw closer.

The RAAA has increased its expertise from the engineering, operational and legal fields by using a small number of specialists on a needs basis. This will continue depending on demand and as the budget allows. These specialists have proved invaluable in supporting the development of a number of RAAA responses to recent Inquiries.

There is no doubt that the RAAA's position is strengthening as other aviation bodies continue to seek a closer professional relationship. Where this will lead is interesting given that a united aviation voice is far stronger than having many smaller voices clamouring for attention.

The RAAA must continue to ensure that the vital role played by regional aviation is never overlooked nor is our sector's reasonable access to the major city and regional airports ever constrained.

Over the coming months it is intended to place a number of new ideas before the membership that will enhance and broaden existing member services. I look forward to working with the entire RAAA membership to develop these new services and hopefully add further value to your membership.





Welcome Aboard Finlease (Australia)

IN THE CABIN

February saw the Associate ranks of the RAAA increase with Finlease joining the RAAA.

More than a finance broker, Finlease are business builders.

Finlease has been providing finance for business and individuals since 1989. Like many successful organisations Finlease was founded on a vision - *to provide better finance solutions than that being offered by banks and the financial community.* Since inception this has remained the principal driving force behind Finlease and the reason for their enduring success.

Success breeds success which is highlighted by today Finlease has \$350 million on loan annually and a group loan book value of circa \$1 billion across all banks in Australia. This gives Finlease the financial muscle that helps facilitate effective finance solutions for their customers.

With offices in Sydney, Brisbane, Melbourne, Perth, Adelaide and Hobart coupled with regional offices in Orange and Mackay, Finlease is well placed to come out and see how your business runs.

An area of market specialisation demonstrated by Finlease over the years is aviation finance. Aviation businesses are unique in terms of their complexity and dynamics. Accordingly, they require handling by a finance specialist who understands the industry and its dynamics plus is able to structure solutions to suit an individual operators distinct needs.

Irrespective of aircraft type - be it a 9 seat turbo prop or a 100 seat commercial jet - Finlease can arrange a suitable financial package.

Land the right aircraft solution.

Finlease are able to arrange packages that facilitate not just the acquisition of the aircraft itself but also incorporate other funding facilities to incorporate acquisition of spare engines, major components, Hot Section Inspections, plus rebuilds and avionics upgrades.

Where the aircraft purchase is from overseas settlement is made in US dollars and ex-vendor / factory. Funding facilities arranged in such instances can also allow for the ferry flight to Australia and subsequent costs associated with CASA certification.

Finlease can also help alleviate cash flow issues by arranging competitive debtor finance facilities on a standalone basis and, if necessary, restructure your existing debt facilities to release equity back to you in other assets.

Other trade finance facilities can be arranged by Finlease to provide for the ongoing purchases of spare parts that enable the business to rotate their components and build up vital stock levels.

Finlease cover a lot of ground.

Finlease will manage the whole finance process and won't leave your application floundering in a holding pattern. Once your loan or aircraft lease is approved they'll manage settlement and payment to the supplier.

You find the perfect aircraft, you place the order, they pay the supplier, you collect the aircraft - it's that simple.

finlease+

Helping your business take off

Whatever the state of the finance market, credit is always available to companies that have a well-presented submission. Finlease takes the time to visit you to understand first hand your business and prepares a submission that provides the Credit Manager with a clear and sharp picture of the business operation and its financial strengths.

Aircraft finance solutions available range from traditional Equipment Finance products through to Variable Rate facilities and US Dollar facilities where suitable.

In providing their service Finlease offer the following guarantee:

- ✦ They'll use their wide resources to find you the most favourable finance agreement available.
- ✦ They'll negotiate an approval subject, of course, to the usual credit requirements of the lender.
- ✦ With all the legwork and bargaining done for you, they'll then prepare all the necessary paperwork for your signature.
- ✦ If for any reason you decide not to go ahead, you don't owe them anything.

I know that many RAAA members would have met Amit Choksi from Finlease regularly at the RAAA Convention and welcome him and the team at Finlease aboard. ✦



Welcome Aboard Aviation Auditors

IN THE CABIN

March this year saw the ranks of the RAAA further swell by the addition of Aviation Auditors Pty Ltd. Aviation Auditors is an Australian company specialising in independent aviation auditing services.



Aviation Auditors was founded in 2010 by Dennis Hill with the vision of offering completely independent aviation auditing services both within Australia and internationally.

Dennis has more than 15 years experience in the aviation industry working for an array of organisations including Aerocare, Impulse Airlines, Kendell Airlines, Ansett Airlines (secondment), Horizon Airlines and Aerosafe Risk Management. His roles have varied from Pilot, flight instructor, ground handling, rostering, project management, crew management, operations and administration management and risk advisor. As a result there is very little areas in aviation that Dennis has not worked in.

As Dennis has moved through the industry his passion for safety and risk management has developed. Now specialising in auditing he believes that audits play an integral role in the management and development of an organisation's safety management system and are a key tool for management's oversight of their organisation.

"What I enjoy most is that I am able work with people from a variety of areas in an industry I love. Auditing focuses in on systems and processes, and I would never have guessed that these were something that I am passionate about. But I am driven by strong systems and procedures and I enjoy supporting organisations in making sure these are well founded, well oiled and provide the backbone to the workings of their organisation," Dennis explained.

In the aviation industry various bodies provide guidance on audits including International Standards Organization (ISO), International Civil Aviation Organisation (ICAO) and The International Air Transport Association (IATA). Aviation Auditors follows and is guided by the standards set by these organisations. He also believes an audit should be viewed as an opportunity for an organisation to review what it is doing, that it is doing as planned according to its procedures and other documented policies.

"Audits need to be seen as a positive tool, not as a way of catching an organisation out or to see what they are doing wrong but more a way of ensuring compliance with internal and external procedures and a way of measuring where gaps have formed so that they can be identified and solutions can be considered," Dennis continued.

Aviation auditors audit procedures can be applied to any body within the aviation industry including airlines, aircraft charter operators, Aircraft Operator Certificate Holders, Flying Schools, Maintenance Organisations and Aviation Service Providers to name a few. Aviation Auditors can conduct first, second or third party audits.

Aviation Auditors provide totally independent audit service that is tailored to any organisations' individual needs, which may include:

- ➔ Internal audit
- ➔ External audit
- ➔ Contractual
- ➔ Compliance
- ➔ Assurance
- ➔ Safety Management Systems
- ➔ Quality Management Systems.

Depending on what is needed Aviation Auditors can provide a one off audit at any time, entire audit requirement on a regular basis or develop an audit program to be rolled out over time and on a regular basis to form an integral part of an organisations safety management system or quality management system.

I am sure that all our Members will agree that Dennis and Aviation Auditors are a great addition to our Associate ranks. If you have any questions at all I am sure Dennis would love to hear from you on 1300 818 700.





2011



12th Annual Convention

Join Us At The

Hyatt Regency Coolum

7th to 9th September 2011

For More Information Go To
www.raaa.com.au/convention.html

Serving Regional Aviation, and through it,
the people and businesses of
regional Australia