



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

RURAL AND REGIONAL AFFAIRS AND TRANSPORT
LEGISLATION COMMITTEE

Aircraft Owners and Pilots Association Australia

MONDAY, 27 AUGUST 2018

SYDNEY

BY AUTHORITY OF THE SENATE

INTERNET

Hansard transcripts of public hearings are made available on the internet when authorised by the committee.

To search the parliamentary database, go to:

<http://parlinfo.aph.gov.au>

SENATE

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Monday, 27 August 2018

Members in attendance: Senators Anning, Brockman, McCarthy, O'Sullivan, Patrick, Sterle.

WITNESSES

**CANNANE, Mr Ken, Executive Director,
Aviation Maintenance Repair and Overhaul Business Association 1**

CESCO, Mr Peter, President, Gliding Federation of Australia 1

DE STOOP, Mr Marc, Vice President, Aircraft Owners and Pilots Association Australia..... 1

HENNESSY, Ms Aminta, President, Aircraft Owners and Pilots Association Australia 1

JAMES, Mr Dominic, Director, Aircraft Owners and Pilots Association Australia 1

MORGAN, Mr Benjamin, Executive Director, Aircraft Owners and Pilots Association Australia 1

PARATZ, Mr Lawrence, Nominee, Australian General Aviation Association..... 1

CANNANE, Mr Ken, Executive Director, Aviation Maintenance Repair and Overhaul Business Association

CESCO, Mr Peter, President, Gliding Federation of Australia

DE STOOP, Mr Marc, Vice President, Aircraft Owners and Pilots Association Australia

HENNESSY, Ms Aminta, President, Aircraft Owners and Pilots Association Australia

JAMES, Mr Dominic, Director, Aircraft Owners and Pilots Association Australia

MORGAN, Mr Benjamin, Executive Director, Aircraft Owners and Pilots Association Australia

PARATZ, Mr Lawrence, Nominee, Australian General Aviation Association

Committee met at 12:49

CHAIR (Senator O'Sullivan): Welcome to you all. I now open this legislative oversight on aviation matters private briefing. Would you like to make an opening statement? I have an adviser in the room, Joanne Doyle, from my office. Does any of the committee object to her being present? There being no objection.

Mr Morgan: I would like to thank the committee for the opportunity to come here today to speak to the issues that are affecting our general aviation industry. I also would like to pass a thank you onto the representatives from the committee that also attended to our general aviation summit, which was held in July of this year. The summit was a great opportunity for the leadership of the general aviation community to come together, and I believe it really clearly demonstrated that there is unity and agreement with respect to the issues and challenges along with the solutions that are required to fix them.

Our organisation was formed in 1949 by pilots and aircraft owners principally to protect our freedom to fly. Our association across its 69-year history has been involved in a multitude of government and legislative processes fighting for the rights of pilots and aircraft owners. Everything from aircraft maintenance issues through to pilot licensing issues and airspace issues along with airports concerns have been the purview of our organisation. We have at this time about 3,500 financial members who endorse our organisation and provide the mandate we have to go forward and advocate. Over the last two years we have specifically been focused on three course issues core issues: firstly, private pilot medical reforms; secondly, general aviation maintenance and engineering reforms; and thirdly, the adoption of the US FAA regulations in order to advance the Australian general aviation industry.

Mr Paratz: Thank you to the committee for the opportunity to meet with you here today. I am, in a sense, a representative of the cohort of the people who own and operate aircraft in Australia for personal and business purposes, probably the unseen, spoken majority of aviation in some sense. There are a number of type groups within Australian aviation who coalesced together for the Wagga summit. I have the honour of presenting on their behalf the Australian Beechcraft Society, the Mooney Pilots Association, the Comanche Society, the Cirrus Owners and Pilots Association, the Cessna 200 Series Association, the Cessna 182 Association and the Australian Piper Society. And since Wagga, two other type groups have also indicated their support for the positions which were developed at that session in Wagga. Together, this group own and operate in excess of 1,200 aircraft. We estimate we operate about 350 hangers and probably operate about 50 airfields as well Australia wide. We have about a thousand members. Collectively we estimate there are about 250 centuries of aviation experience in that group. I'm sure you would appreciate there is a substantial asset value involved there. As well, licensing covers the full range from basic pilot qualifications through to airline transport and all the different grades of maintenance and licensing. Interestingly, these groups have always been at the forefront of aviation safety—presenting and formulating their own safety programs—and the commitment to safety is backed by the individual action of the members, who keep themselves at or above minimum regulatory standard and their aircraft are generally also above that standard.

It is an absolute pleasure to be here. As the group of people who seek to use aircraft for utility, amenity, increasingly, we find that that amenity and utility is probably not where it should be and where it could be. There is no criticism in that statement but it is certainly something that I think that group of individuals would like to see move to the next stage. The question is how can we as an industry and as users of aviation deliver the community benefit that aviation can deliver and do that in a way that maximises the outcomes for the nation?

CHAIR: Senator Anning's chief of staff is with us, Richard Howard. Same proposition to remain in private briefing—there being no objection. And Senator Sterle's chief of staff is present so, for the record, the same courtesy is extended for him to remain.

Mr Morgan: Thank you, Chair.

Mr Cannane: I've been the executive director of AMROBA since it was formed. AMROBA is the Aviation Maintenance Repair and Overhaul Business Association. It covers design organisations, small manufacturing organisations, maintenance organisations and the maintenance training aspects in aviation. It excludes the major airlines out of it. When I left CASA, the industry asked us to set up a body to represent them, because the small general aviation bodies don't have time to participate in most regulatory reform. Being an ex-regulator and having been in a senior position—a one-time general manager of the regulatory program, rewriting the rules—I've been able to give them good representation with CASA and to get CASA to slowly change around. We recently had a bit of success, although the outcomes could've been better.

We work closely with the operational people of general aviation to make sure that we've got the expertise and to make sure that they've got the understanding from our aspects of it. We look forward to having an industry that's opened up to the international area so we can participate globally and produce, in this country, products that can be sold around the world.

CHAIR: Thank you, Mr Cannane. Mr Cesco?

Mr Cesco: I'm the president of the Gliding Federation of Australia. Gliders are aeroplanes without motors—proper aeroplanes without motors. I thought I'd say that. There are many thoughts on what a glider is. We have been around since 1949, the same as everybody else—the same as AOPA. We control, effectively as a co-regulator at the moment, all issues of certification, maintenance, flying and administration in the gliding space and have done that successfully ever since 1949. We've currently got 1,274 aircraft, 2,700 members.

We are really concerned and have been for a long time about the overregulation of the industry as a whole, including ourselves. We have internal problems, in the same way. We're working to minimise that, but that's driven by CASA regulations, by and large. So, we're caught in a bind. We want to fix that. Every bit of regulation is a cost, and that cost comes out of the community, which is our community. We can talk about the economic contribution that we make to Australia later, but this is probably not the forums to talk about it. Thank you.

CHAIR: Thank you, Mr Cesco.

Ms Hennessy: Good afternoon, ladies and gentlemen. For the record I'd like to get my surname spelt H-E-N-N-E-S-S-Y—like the brandy!

CHAIR: We'll ensure that the next time you're before the committee it will be spelt correctly, Ms Hennessy.

Ms Hennessy: Thank you. I happen to be president of AOPA Australia, but I'm very new to this. I personally have been in aviation—

CHAIR: AOPA is the acronym for—

Ms Hennessy: Aircraft Owners and Pilots Association Australia. I personally have been in Australian aviation for 51 years in the flying training industry, and the commuter airline and charter industry as well. I'm endorsed on most general aviation aircraft, including four aircraft in the over 5,700 kilogram category. I am also a flight examiner for CASA, for what that's worth. It's the most expensive thing I've ever had to do. I've operated all over the world in all airspaces, all systems. I'm the holder of an American airline transport rating as well as an Australian airline transport rating. I've advocated for something like 30 years for the FAR system to come in for pilots, maintenance and airspace. So, my big thing in relation to being president is that I really, really want to push these reforms to come through the system.

CHAIR: All right. Thank you.

Mr De Stoop: Hello and welcome. I'm currently the vice president of AOPA, and past president for three terms. I'm a mechanical engineer by trade. My principal business interests are in construction and development, but I've also had a role in aviation since the 1980s when I started a flight training school at Bankstown. I ran one of the largest flight training organisations there, and we also had the Qantas contract for a while. I've been in aviation a long time. I'm currently also the CEO and owner of a company called FalconAir, which I think you have had some dealings—

CHAIR: We have—

Mr De Stoop: with CASA recently. I've been in aviation for a long time, and I'm here to try and revitalise an industry that I've seen in decline ever since the eighties when I was at Bankstown. I'm volunteering my time. I've got plenty of other things I could do with my time, but I feel that this industry needs a lot of help at the moment and I'm trying to do whatever I can to bring that about.

CHAIR: Thank you. Mr James?

Mr James: I am commercial fixed wing and helicopter pilot. I've been flying for 23 years. I'm presently employed as a corporate aeromedical captain, but I'm also a director of AOPA and I've appeared before the committee on a number of previous occasions.

Mr Morgan: Now that we've got the introductions out of the way—obviously you are all intimately aware of the industry's perspective on the Civil Aviation Safety Authority. I would like to start by saying that there are a significant number of us within the general aviation industry that wait, with bated breath, for each round of Senate estimates to see the senators put questions forward to the Civil Aviation Safety Authority, because, at the end of the day, you have an ability to extract information. We find it increasingly frustrating, on our side, as there is no obligation for the regulator to respond to us on issues that are really important to our future. That's why we're here today. The future of general aviation in Australia right now is at risk. For many decades the Civil Aviation Safety Authority has denied that there is a significant problem with the health and wellbeing of our industry and has, each year, produced annual reports that continue to show that the number of pilots is moving its way up, the number of aircraft is increasing and all these other metrics that generally show that the performance of their role is on par. But the truth of the situation is: it is not.

I would like to start today's discussion by first of all talking about the way in which we measure the performance of our industry and to hopefully shed some light, so that during your next round of estimates you may be able to go forward and ask some questions on behalf of us. I guess one of the basic metrics that would indicate the performance of a healthy general aviation industry is to look at the number of general aviation aircraft that are actually involved, being used within the industry. I think everybody would agree that if we've got an industry where we've got a six to 12 per cent growth annually in aircraft numbers that would have to be indicative of an industry that is growing. The truth though in general aviation is that we have an increasing number of aircraft registrations in our industry but we actually have decline. The reason we have decline is that these aircraft registrations that are being presented as part of the annual report are not taking into account aircraft which have physically been dismantled and are no longer part of the general aviation ecosystem.

Senator McCARTHY: But they can still be registered?

Mr Morgan: Those aircraft can be registered. In fact, I and my family have five aircraft, and they all have the wings taken off them and they're all packed up in sheds and they will never fly again. These aircraft are effectively written-off aeroplanes. But they're still on the registration because there are no rules stopping us from doing this. So each year the Civil Aviation Safety Authority comes forward and produces a report that shows that the number of aircraft registrations is increasing, because we're continuing to count effectively dead aeroplanes. So there is one metric that we really need to see changed in order to have a regulator that's presenting a story that we can understand as being factual.

CHAIR: Mr Morgan, you might explain, in the context of that statement, why you and yours would keep five redundant aircraft registered. What is the incentive for you to do that?

Mr Morgan: That's a very important question. It is so expensive for me as an aircraft owner to take my aircraft off the register and put it back on the registration system that I elect to leave it there knowing that I don't want to expose myself to \$2,000 to \$3,000 worth of costs to take it off the registration system. Nationwide there are thousands of aircraft that are now retired from service and no longer being flown that are still active on the aircraft registrations database.

In fact, the president at the time, Marc De Stoop, and I attended a meeting shortly after I first joined AOPA, 2½ years ago, and we met with the then director of aviation safety, Mark Skidmore. We put forward the argument that the industry is actually in decline. The director of aviation safety bluntly opposed that view and said: 'No, the industry is not in decline. It's growing.' And yet we were able to very quickly go out and produce graphs and charts that showed that pilot numbers are in decline, the number of maintenance businesses is in decline, the number of flight training schools is in decline and the number of points of access that an individual can go to to be involved in aviation is in decline.

Herein lies part of our challenge. We have a general aviation industry and community that for the past 20 years has had the flag of distress up. We've been calling on the Civil Aviation Safety Authority year after year after year and saying: 'We've got a huge problem here. We're going to have a major pilot crisis in this country if we don't change what we're doing.' Fast-forward to 2018. We now have a major pilot supply crisis going on because our industry is supported by a framework of rules that are no longer compatible for the industry that we need today.

Senator PATRICK: What's the right metric to measure the health of GA if it's not registrations?

Mr Morgan: I think there's a combination of metrics there.

Mr De Stoop: The most important thing is the issue of a maintenance release from an engineer to say that the aircraft is flightworthy. There is no register of that at CASA.

CHAIR: Sorry? There's no register to register what?

Mr De Stoop: Maintenance release. To certify an aircraft to fly, a licensed engineer has to issue a maintenance release. It's a piece of paper.

CHAIR: That can happen multiple times on the same day, can't it?

Mr De Stoop: Sorry?

Mr James: It gets refreshed every 12 months, so a current maintenance release—

CHAIR: Sorry. This is the authority of that engineer to do that?

Mr De Stoop: No. The engineer grants the right for the aeroplane to be airworthy, to fly.

Mr James: It's like your rego.

CHAIR: I appreciate that. I just want to put on notice that I really want to have Senator Brockman lead our examination when we're finished, because he took the time to represent the committee at Wagga Wagga. I know Senator Anning, as a pilot, has a special interest, and we want to make sure everyone gets a fair crack. But every day an aircraft gets a maintenance release to fly in the air. If it's had an issue with it, my understanding is that it then can't go into service unless there's a maintenance release. Just clear that up for me.

Mr Morgan: I can probably just simplify Marc's comments. Whilst an aircraft has a registration, it also requires a maintenance release in order for that aircraft to be released in an airworthy condition for operations. That maintenance release is valid for 12 months or 100 hours of flight time, whichever comes first. So, Senator, you're absolutely correct. If the aircraft is with a very busy flight school and it's amassing 100 hours of flight time in a month, for example, that aircraft is going to get a fresh maintenance release every 100 hours. But right now the Civil Aviation Safety Authority in this country cannot inform the public and it cannot inform the government as to how many aircraft on its registration are active—that is, airworthy. This is a very significant data point, in that the decision-making for CASA to implement certain regulations is based on its practicality in terms of broad adoption and broad use. But, if we only have a very limited number of aircraft in a particular area that are airworthy, that regulation may have zero impact at all on the community.

CHAIR: Yes, but are you telling me that the five that you've got in storage have got a certificate of airworthiness?

Mr Morgan: Those aircraft do not have a maintenance release. The maintenance releases are expired. But it is still on the registration database.

CHAIR: So, Mr De Stoop, what you're saying is that, if there were a register that kept that, it would give us a more accurate—

Mr De Stoop: Absolutely.

CHAIR: Understood.

Mr Morgan: If I could come back to Senator Patrick's question, and that is the data points that would enable us to track the performance of CASA: whilst it's hard to believe we can't find out how many aircraft are actually airworthy right now in Australia, I believe we also cannot tell the number of aircraft engineers who are currently using their licences either. Is that correct, Mr Cannane?

Mr Cannane: Just to explain a little bit more than that—and I'm from the technical side that they were quoting about—what CASA doesn't know, even though you've got a number of aircraft on the register, is the number of flight hours. BITRE, I think it is, does the ergonomic reports for the industry. In their reports, they have shown more and more aircraft that are getting zero hours per year. They send out a review to all owners of aircraft and the owners have to fill in whether they've flown the aircraft, whether it's in maintenance or whether it has just not been used. If you go back over the series of those, which was done and presented to CASA some time back, it showed that the number of aircraft flight hours in general aviation was on the decline fairly dramatically.

In relation to the second part, which is the number of licensed aircraft maintenance engineers, about 11 years ago when CASA introduced the European licensing system into the system, they made it indefinite, so you got an ever-increasing number of people on there as licensed aircraft maintenance engineers. Unlike the European system, which requires a five-year reaffirmation of what the address said and whether they are still in the industry, the previous system we had in Australia was a two-year ICAO standard. There's none of that now in the system, so a person who becomes a licensed engineer could leave the industry, and, though the numbers are ever-increasing within CASA's register, in terms of the number of people out there, in fact, we're struggling to find

people in the industry in the licensed aircraft maintenance engineer side of it to be employed by the employers. We're trying to work through with CASA a better way to actually get the shortage covered, but we need to bring back the European standard which they adopted and say that every five years, the LAME should notify CASA.

Senator STERLE: Mr Cannane and others, are you saying that it's quite possible that we have a serious shortage of LAMEs and AMEs in this nation?

Mr Morgan: I'd like to put it on the record that we have a crisis in terms of the numbers.

CHAIR: Mr Morgan, I'll tell you what we need to do. We need to get to the end of what you've got to say, because it would be a failure of our committee if Senator Brockman didn't lead us, after having been at Wagga Wagga and seen the evidence for a couple of days. He'll be very alert to what we need to focus on, and I wouldn't want us to run out of time. So we'll go back to you, Mr Morgan.

Mr Morgan: We do appreciate there are myriad technical issues involved in this that are very broad and very deep, and we would love to have 300 days of your time.

CHAIR: With CASA, we could all sit here complaining for a week.

Mr Morgan: Absolutely. I'm publicly on the record as saying quite often that we have a regulatory framework in Australia that's broken. Essentially, what has happened is that, over the past 25 years, the Civil Aviation Safety Authority has taken a little bit of this and a little bit of this and a little bit of this from varying nations. Instead of adopting a successful general aviation regulatory framework that is a proven model to create success, it has chosen to build what I have publicly stated is the Frankenstein of all regulations. It is a mismatch of partly European, partly New Zealand, partly Australian and partly American regulations that has, in itself, created an enormous workload that the regulator has had to endure to try and connect all the varying elements of regulation to make it do something which, had we just adopted the US system, it would have achieved straightaway. The Civil Aviation Safety Authority has been criticised by industry for 25 years on this fact. We have been incredibly vocal, as the end user of the regulation, that the system that we've been forced to endure is, in fact, broken and at the moment is showing no sign of a reprieve for any of us.

I'd like to highlight a couple of examples. I'll start with one that I know the estimates committee has dealt with. AOPA wrote to a number of senators last year and the year before regarding the ADS-B implementation in Australia. The ADS-B implementation was forced on our industry five years ahead of the United States, which is the world's leading general aviation economy—the smartest people in the business. The United States is where these aircraft are designed, it's where they are certificated and it's where they are built. They know aviation. They've got a little bit longer history than we do in aviation, and I dare say they probably have significantly more financial resources to drive their regulator and their accident agencies. But the ADS-B system was pushed on our industry, and all of the industry association bodies pushed back and said: 'This is too early. You are going to force us to pay maximum price for this technology at a time when our industry is in decline and we can least afford this.' As an example, our president, Aminta Hennessey, operates a large flight training organisation at Bankstown, and her business has seven training aeroplanes. For each of these aircraft to achieve ADS-B compliance was \$23,000.

At the time that AOPA mounted its most vocal opposition to ADS-B, I believe Senator Patrick and Senator Xenophon might have at the time raised the questions directly to Mr Carmody through estimates and asked the direct question, which was: 'If the industry proceeds with implementing ADS-B now, will it be paying a higher price or a lower price, depending on where the US then jumps into the market five years later?' Mr Carmody at the time responded by saying that it was CASA's view that the price could increase and we could be paying more. Therefore they justified their reasoning for forcing ADS-B on our community five years ahead.

Well, I can report back to the Senate estimates committee that AOPA Australia's recommendations were entirely, 100 per cent, correct. You can now purchase an off-the-shelf ADS-B solution that you now install in your tail-light. I believe that it's about US\$1,800 to install, versus the \$23,000 installation. So our industry has been exposed to tens of millions of dollars of unnecessary equipment costs purely because Australia had to be the first.

But I would like to draw your attention to one clear fact. Our industry has not been a winner from ADS-B. We have gained very little from the implementation of this technology. We do openly acknowledge its safety benefits. There are safety benefits there, but those safety benefits really don't provide any safety for GA. The benefit that has been achieved is that it has saved Airservices tens of millions of dollars in radio navigation equipment maintenance contracts. For all the profits that Airservices posted in this last cycle, absolutely none of this has been passed back to our general aviation industry by way of any rebate or payment to alleviate the millions of dollars this hardworking community has had to endure.

I think that that ADS-B issue in itself really typifies the type of opposition we face as the people on the coalface, the people who have to make these regulations work and turn them into a profitable business. This example really highlights that a small business can quickly become exposed to hundreds of thousands of dollars worth of costs, and, no matter what we say or what we do, we will be ignored.

I'd like to use a couple of other examples. I have to apologise; I'm not in the greatest of health today, but I'm going to keep forging on. One of the other examples is the current situation with private-pilot medicals in this country. It is undoubtedly CASA's role under the Civil Aviation Act to develop aviation safety standards. Those standards are to be developed based on evidence—evidence based assessment. That is, we look at the risk to the informed and the uninformed participants of our industry, and we determine what is acceptable and what is not acceptable. An example of that would be that the regulator takes a look at a private pilot in how he operates in his aeroplane, keeping in mind that private pilots are often doctors, medical technicians, emergency service people, business owners, farmers—

Senator McCARTHY: Politicians.

Mr Morgan: and politicians. Private aviation is not this preconception that a lot of people have that we're just a bunch of rich people running around. I can assure you of this one fact: the vast majority of my membership in AOPA are hardworking, ordinary Australians who have a passion for aviation and like to use that aircraft in the same way they use their car. It's just a car that flies. For many people in regional communities, this is an essential connection. Without it, it makes life so much harder. Senator Anning, I would assume that with your background in aviation you would well understand that in Queensland aviation plays enormous role in helping connect those farming communities.

The private-pilot medical is a real area of concern for our aviation industry. Whilst Australia has been languishing in the hands of the Civil Aviation Safety Authority's avmed department—meaning that, for us to have permission to fly, we have to pass a medical scrutineering which is governed and supervised by CASA and their team—other leading aviation economies in the world have looked at this process and have simply said, 'This is unnecessary.' We are wasting millions of dollars creating our own workload.

The UK Civil Aviation Authority, prior to two years ago, conducted a 10-year, extensive study into private-pilot medicals and the risk of private-pilot medical incapacitation in flight. That study—I am not aware of another; I believe that this is the only study that has actually been performed by a regulator on this—underpinned essential reforms that the UK CAA have implemented that now mean that private pilots in the UK can self-certify. If you are fit and you hold a driver's licence, you are considered fit and healthy, and you can fly a plane.

Senators, I am here today to say that flying a private light aircraft is no different to driving your car. In fact, I have truck drivers who are part of our membership who often say to me, 'Ben, I am far more stressed driving my B-double at night, in rain, fully loaded, than I am in my Cessna 210 coming in and out of Bankstown airport.' They too do not understand why private pilots in Australia are expected to maintain a medical fitness that is akin to flying for the Air Force.

The UK reformed its medical system, and shortly thereafter the US reformed theirs. At the time this happened, the AOPA Australia launched a public campaign, calling on the regulator and calling on the minister for transport to follow suit. We felt that it was an ideal opportunity for CASA to demonstrate that it too understood the need to reform general aviation and to give us the relaxations that we need to get more people involved so that the country can benefit from the access and facility that general aviation provides.

It took CASA 12 months to come to a determination, and during that process they called an engagement of public consultation. Each of our associations was invited to write into CASA and explain our positions. This point is important. We get asked all the time to participate in consultation, but, senators, I'd like to ask you the question: is consultation simply being asked to submit your opinion and then never having them speak to you again? There is no consultation if there is no two-way conversation. Throughout the medical reform engagement, we found ourselves trying to engage with the regulator to understand where they felt the risks were, where they felt the concerns were, simply to be ignored. Absolutely no information was passed back to our industry that would allow any of us to have a two-way conversation to assess where they were thinking and to encourage them towards a successful outcome.

Of course, the outcome from this process—no surprises—was that, in December 2017, CASA announced, to much fanfare, that they were reforming the private-pilot medical system, and they announced that they would introduce a new standard, which was not self-certification. You've got to go to your doctor, and you now have to obtain an unconditional commercial driver's licence medical standard. Again, Australia finds itself being unique,

the only country in the world, to step outside of what everyone else has done and take on a process which is more onerous, more restrictive, and of course will be adopted by far fewer than we could have ever possibly wanted.

The third thing I would like to bring up today is the red-tape reduction programs being implemented by the UK and the US. Back in 2014, at around about the time that the medical reform movement was starting to kick off, the UK Civil Aviation Authority basically discovered that general aviation was tanking. It was tanking off the back of the fact that it had based all of its regulations on the EASA system. One of the pitfalls of general aviation is that we have acronyms for everything, and I have to apologise—I can speak in acronyms for about an hour straight, and no-one understands anything I'm saying! The European aviation safety rules are the EASA framework. The UK based its rules on this, and it didn't take very long for general aviation to plummet and head towards bankruptcy.

In 2014, the Chief Executive of the UK CAA, Andrew Haines, recognised that they needed to change direction to save their industry. So they developed the public consultation package which was the 'General Aviation no gold plating consultation' kit. This kit called on industry to feed back to the CAA all of the areas where the industry felt that they could get rid of regulations and remove excess high standards and effectively normalise general aviation again. That resulted in a formal policy package being released—again, I'm happy on notice to provide these to the committee. I just want to read a section of this because I think it's really important, and I really want it on the record. It says:

General aviation (GA) makes an invaluable contribution to the UK's aviation community. In its wide variety of forms it is a recreational pastime enjoyed by many, whether through participation or as spectators; it creates many jobs for those who build and maintain the aircraft; and is often the first step for pilots who wish to fly commercially.

As the CAA recognised in our response to last year's GA red tape challenge, the sector has been subject to a disproportionate level of regulation, both at the UK and European level, which is stifling participation and innovation.

And we're all seeing this happen in Australia. It continues:

In our response to the red tape challenge I made a public commitment to change radically—
and I think that that 'radically' is important—

our approach to GA regulation. Central to that commitment was our proposal to set up a dedicated GA Unit to oversee all aspects of general aviation within the UK ... The Unit is now up and running and I am pleased to say beginning to deliver on the ... public commitments ...

They are: (1) the UK CAA will now 'only regulate directly when necessary and do so proportionately'; (2) it will deregulate everywhere it can; (3) it will 'delegate where appropriate'; (4) it will 'not gold-plate' and will 'quickly and efficiently remove gold-plating that already exists'; and (5), the last point, it will 'help create a vibrant and dynamic GA sector in the UK'.

My third point is my last today, and I just want to close off by talking about the GA summit. It's going to relate directly to this. The reason we held a general aviation summit is actually very, very important to understand. The reason is simple. I joined AOPA in July 2016. I'm still not sure whether it was a great idea for either AOPA or me, but anyway! I came to be part of the organisation because I love general aviation. I grew up in a general aviation household. But, for the entire time that I've been alive in Australia, I've only known general aviation to be in decline. I've known my parents, who've owned a multitude of aircraft, to be constantly perplexed and challenged by the fact that owning an aeroplane has been made so complicated.

And yet, at the same time, when I left school, I would become involved in setting up an Apple computer retail business and I would spend an inordinate amount of time in the United States with Apple. I actually had the opportunity of seeing just how successful the US system is. I saw how free general aviation was in the United States, how supportive the US FAA was with respect to helping pilots and aircraft owners. I saw a community of positive people, people who enjoyed aviation. I saw a federal government which understood the value of investing in airports and creating the infrastructure that would help drive commerce, trade, opportunity and benefit.

I saw this huge contrast between the country that I was born in and I love so much and a country that is so easy to copy, and I couldn't understand for the life of me why we couldn't simply look to this most successful model and say, 'We could do that.' I was stuck in this paradigm in my mind as to what was going on that our government couldn't actually see that what we were doing was taking us downhill but that where we could go would be uphill.

So I came on board with AOPA, and I decided to help the organisation by advocating and lobbying. I became a very loud proponent for change within the aviation sphere. I know that there are certain politicians who probably don't like my name, because I've challenged bad policy. I've challenged decision-making which has led to decline. But the message that I started with three years ago is exactly the same as it is today: the answers are there in front of us, and our industry has been talking about this for 25 years.

Through being given the opportunity as part of AOPA to meet with the politicians one on one, I was really surprised. I was constantly being told by CASA and the various ministers that general aviation can't agree on anything; general aviation doesn't understand the problems; general aviation doesn't have a solution. In fact, it came to its penultimate moment when I met with the new deputy—how many Deputy Prime Ministers have we had? I think we're on the fourth minister for transport in three years.

Senator STERLE: Six.

Mr Morgan: Well, we've got a chocolate wheel in my office, and we're getting ready to start the spin for the next one. But I went to this meeting with the Deputy Prime Minister, and we said: 'We need a change to the Civil Aviation Act. We need to set the tempo and direction for aviation in this country. We want to build success. We want our industry to thrive. We want as many Australians as possible to enjoy aviation and to experience all of the benefits that it brings.' The Deputy Prime Minister effectively said, 'I can't commit to anything, because your industry can't agree on anything.' You'll attest to this, Marc. I walked out of the meeting, and I said, 'Marc, what the Deputy Prime Minister has actually challenged us to do is to hold a summit, bring the entire leadership together and develop a consensus, and then we will take that consensus back to this government and we will say: "You are wrong. We are in agreement. We have the solutions, and we are wanting you to work with us."' So that's what started the GA summit.

I set about inviting a group of organisations that went from five to 10 to 15 to 20 to 26 to 30 to 36 industry associations. There were 100 representatives at the table, and I'm very pleased to report that my peers and counterparts all worked incredibly productively and all understood the value of coming together to build that consensus, which forms that general aviation resolutions package which you've already been provided. However, most disappointingly, following the summit I made requests to our Deputy Prime Minister and to Labor's Anthony Albanese, and while the Labor Party were eager to meet, unfortunately our Deputy Prime Minister really hasn't had the time. I have been promised that we can have a meeting with him somewhere in September. The summit was held in July. I felt that was a perfect opportunity to sit down and have that meeting—it would have been quickly following—but it appears that maybe the consensus of our industry is not important enough.

I don't profess to fully understand politics and I have been known for putting my foot in it and for saying the wrong thing at times, but it really does come from a position of passion and care for this industry. I know that we all love it dearly and we want it to succeed, but we need help. The purpose of my being here today is hopefully to run the flag up the pole and to say to you that I invite any assistance you can provide us to help give weight and voice to these issues, because all we want to do is succeed.

CHAIR: We'll go first to Senator Brockman, given his attendance at Wagga Wagga.

Senator BROCKMAN: I won't take up much time, because I think it is important that my colleagues have a chance to get some of the direct information I got at the Wagga summit. It was an eye-opener for me to hear so many people who are both passionate about their industry, but genuinely fearful for its future. As someone who comes from regional Western Australia, I absolutely understand the importance of the general aviation sector, particularly to the bush. Coming straight after the general aviation summit I through happenstance went on three charter flights in different regions of WA, so I had the chance to talk to pilots, operators, staff who worked at airports and airport operators, and the information that had been on show at the summit was very much reflected in the comments of those operators, which is that it is an industry sector under pressure and needs some serious attention, if we are not going to see a further ongoing decline and loss of services, particularly in regional Australia. So, I preface my questions with that.

From my point of view, what I would like to hear and what I did hear at the summit was just some really clear examples, like the pilot medicals, of where relatively simple changes could result in the removal of the burden of red tape from the GA sector's back. Another one that came up at the summit, I think it was in the evening presentation from Michael Smith, was the compare and contrast he did of the size and complexity of the licence papers required in the US, versus Australia. I thought that was a very good visual example. In the US it was half a dozen credit-card-sized licences. In Australia it was 10 books, effectively. Would you, Ben, or others on the panel, as required, talk us through what the half dozen areas are where relatively simple regulatory changes would take the a burden off the general aviation sector?

Mr Morgan: To start to encapsulate the question you have asked me, the reality is that what you are effectively asking me to do is change a few panels on a Leyland P76 and make it a Ferrari. You just can't do it. You can't turn a Nomad into a space shuttle. At the core of the problem, which our regulator does not seem to want to accept, but the entire industry is in consensus and knowledge of, is that our regulatory system is based on the wrong national system. Our regulatory system should in every respect be based on a full adoption of the US FAA FARs. This has been called on for 30 years and what we have unfortunately done is fall victim to this

particular approach, which is: a change of the total system is so complicated that we will try to modify what we have to get it to work. But the problem is that after 30 years of modifications the system is no longer efficient. I will give you a very simple example of this. If you go to the United States and want to register an aircraft, it is a two-page form—it is a very basic two-page form. If you go to the UK and you want to register an aircraft, it is a three-page form. If you go to Canada it is a two-page form. In Australia it is a 16 or 17-page form. Only in Australia would our aircraft registration application require seven pages of legal explanatory notes. I could sit here for the next two hours and give you no end of part regulation reform that we need to achieve, and I certainly would invite the committee to set up a meeting and we will bring a team of industry experts forward and we will go through the A-Z of part regulation of CASA and explain how each of those parts are wrong and that the only solution is to adopt the US counterpart regulation. But the message is still the same. What we have at the heart of our regulatory framework is a broken central core.

Senator BROCKMAN: I suspected that would be your answer then. So, your view is very strongly that we can't do this piecemeal. We can't tick off areas of regulation to fix. We actually need to do a ground up rebuild?

Mr Morgan: I will give you another example, which will hopefully explain it further. One of the issues you would have heard raised at the GA summit is the need for independent flight instructors. I understand—and Ken may correct me here—that around about 25 years ago—

Mr Cannane: 1988—

Mr Morgan: the independent flight instructor provisions were removed from Australia's regulations, which was an instrumentally short-sighted decision that has led to decades of pilot training decline. That regulation enabled a pilot, much the same way as a carpenter, or an electrician or a builder, to obtain a qualification and with that qualification they could go out and build enterprises. Senator Sterle, I believe you were a truck driver?

Senator STERLE: I still am.

Mr Morgan: So, you gain a truck licence and you can go out and drive trucks. Only in Australia's aviation industry can you gain a qualification that won't entitle you to do anything. It is an absurd situation. Yet, under the regulations in the United States, once you have been given a flight instructor rating and you have been approved, you can go out and put your sandwich board at the side of the airport, by yourself a little four-seat Cessna and take the American flight training standards off the shelf and commence your training. They don't provide roadblocks and approval processes. They remove all of that red tape. Why? Because there is no need for it. The FAA understands that it is not a make-work program. It is not there to design work, to build work or to create work. It is there to provide a safety standard, and then simply expect that the pilot or the engineer, as the responsible person, or the operation, as responsible entity, complies with those standards. But, in Australia, we have for some reason developed a culture around our aviation safety regulations, which is that we cannot trust anybody—everybody is unsafe. We hear this all the time. CASA beat this on so hard now that people are switching off to it.

I want to make this clear: safety is not achieved through rules, regulations, enforcements and surveillance. Safety in aviation is achieved through training and awareness. You have to look at the weird paradigm that we have. In our flying training school right now we have aviation businesses soaking up more time than they ever have on record in paperwork, manual rewrites and safety management system creation—you name it and our flight training industry is now having to build it. Pilots are spending less time in aeroplanes with students. We are satisfying these people within CASA who are creating these rules, but we are not satisfying our industry's capacity to train. We are facing right now the largest pilot supply crisis our industry has ever faced, and everyone is scratching their heads and asking, 'Why is this happening?' We have these big flight schools but we are not putting students out, and that is because we are all busy shuffling paper and not training anyone.

Mr James: In America, they've got extraordinarily complicated airspace. They've got 25 times more aircraft than we have, more participants in bulk numbers, built up areas everywhere, high elevation and difficult whether—everything. Australia has the easiest environment in the world to conduct general aviation. We have no high terrain. We have very few bad weather areas. There's not many aeroplanes and there's little military. Most of Australia is just wide, open space, yet we've got 20 times the regulation than the Americans have. In practice we could halve what the Americans get away with—we could throw all the stuff about de-icing runways and dealing with military and all that sort of stuff in the bin—and we'd still get by perfectly safely. By a factor of 40, we've created this monster that we have to deal with and it's wildly inappropriate. There's nothing hard about flying in Australia. It's the easiest place in the world, yet we've got this giant, monstrous regulatory system which is just totally inappropriate and unfit for purpose.

Mr Morgan: The AOPAA produced a set of charts two years ago that showed that the number of pilots in Australia has declined by 34 per cent. AVGAS sales have declined by 35 per cent. I find it perplexing, and I don't quite know how to explain it to myself, that whilst our industry is experiencing decline—and it's not small decline; this is real double-digit systemic, structural decline—CASA's annual budget has increased phenomenally. They're now nearly at \$200 million in funding. Somebody the other day said to me that the entire Tasmanian Police force was funded to the tune of \$250 million. They're looking after half a million constituents for their \$250 million, and here we have CASA on nearly \$200 million a year looking after 34,000 pilots and, effectively, 12,000 to 13,000 aircraft owners. The amount of money that is spent per person per aircraft is phenomenal. If we had the RTA or the motor registry running at the same price per person per vehicle, we'd bankrupt the state and federal government. Someone needs to explain it, because I can't understand it.

CHAIR: I just want to remind you guys, we will get to two o'clock and we'll hear what you're interested in telling us, but we will have denied ourselves an opportunity for these senators to zero in on what they don't understand, and, if they don't understand it, they wouldn't be able to advocate for you. Can I just encourage you, from here to the finish, to keep the answers brief. Senators can drill down, if they require more information.

Ms Hennessy: I just want to paint a very small picture very briefly: there are as many aeroplanes based in the bay of San Francisco as there are in the entire Australian region.

CHAIR: That's a good point.

Senator BROCKMAN: Chair, I'll take your comments on board and I hand over to my colleagues. I had a chance to talk to many participants in Wagga, so I think it's more important that my colleagues get a chance to ask their questions.

CHAIR: I'm getting a sneaking suspicion that we're not going to be able to deal with it comprehensively in the time we have allowed ourselves today.

Senator ANNING: As Ben said—I've flown a bit in America—America's a great place to fly. It's simple. It's not confrontational. They're there to help you. It's exactly the opposite to what happens here. The size of this country means we really cannot live without GA, but we're going to be forced to do exactly that if we continue down this road. CASA has to be brought back into line. We've got to get rid of these regulations. The FAA have a great way of running the place. The FAARs are great—we can deal with that. We don't need to do it piecemeal. We can just put in the FAARs and Australia would be a completely different place and we would be encouraging aviation instead of discouraging it.

Senator McCARTHY: I just want to discuss the Wagga Wagga conference and, obviously, the comments made by Dick Smith to the conference. You spoke, Mr Morgan, around registration and the number of registrations on CASA report. I think it's really important for us to get a sense of that. I want to go to employment, though. Certainly on your website you're very concerned about the 457 visas.

Mr Morgan: Absolutely.

Senator McCARTHY: Can you just explain to me what your direct concerns are about the employment issue facing your organisation?

Mr Morgan: I think, in absolute simplicity, we'd like to see the 457 program for pilots for the domestic and international carriers closed. We do not believe it was a responsible action by the government. There is, without doubt, the capacity here in Australia to train these pilots. I have said it to my colleagues before. I think the announcement this week from Qantas was that they posted a \$1.6 billion underlying profit for the carrier. That demonstrates they have the capacity to train these pilots and to employ them, but the decision has been simply to seek cheaper alternative streams to achieve this employment. This was, in my view, nothing other than a bit of a stunt to find cheaper pilots and to avoid the cost that would have been associated with training their own here in Australia. I know I can speak on behalf of a great number of general aviation flight training schools that would love the opportunity to partner with Qantas, Virgin and Regional Express to provide the pilots. I believe that if we did close that pathway down, what we would see is an immediate reaction by the airlines to invest.

Senator O'SULLIVAN: Mr Morgan, this passage of evidence is completely inconsistent with concerns raised around the number of pilots in general aviation available for employment from every other witness we've had in this space. Are you saying there is no shortage of pilots?

Mr Morgan: Senator, I'm saying that there is a shortage of pilots for the airlines at this time, and that is largely being driven by the fact that the general aviation charter industry has experienced a 50 per cent decline over the last 10 years. We have pilot candidates coming out of flight training schools, and they have nowhere to go in order to gain their multiengine command time that makes them applicable for the airlines. So there needs to be a review and some analysis undertaken to work out ways in which the airlines can effectively help bridge that

gap. I would like to say that if the airlines are provided a 457 bridge and they are able to avoid this responsibility, we will never solve this problem.

Senator O'SULLIVAN: That's a different issue, and I understand that. But are you suggesting—your answer wasn't clear to me. We have heard, everywhere we've gone, 'There's a shortage of pilots in this country.' The gap is being filled, obviously, by 457s. First of all, do you agree there's a very acute shortage of pilots in this country? Do you agree with that?

Mr Morgan: Absolutely.

Senator O'SULLIVAN: You have a solution for it which has not been adopted. In the meantime, how would you fill the gap in the shortage of pilots, if not by 457 visas?

Mr Morgan: Right now, right across the globe, there are thousands of Australian pilots that are flying for foreign carriers. These pilots would be quite happy to return home to fly for Qantas or the other airlines. But the simplicity of it is that these airlines don't want to pay the commensurate packages to bring these people back; they would prefer to find others from other countries who would be prepared to take these jobs. I understand it's a sensitive issue, but from my perspective, I don't believe it's the government's responsibility to be taking care of the profit and loss position of an airline. The government's perspective on this would be to provide a regulatory framework that supports the growth and development of general aviation, which therefore enables the charter industry to grow and develop and play its role in the ecosystem that has, for decades, proven itself to be the supply line for pilots. I think we do need to make this point: the failure for pilots to be able to transition from general aviation through to the airlines comes in one particular area, and that is the lack of ability to go out and find experience on appropriate types. So if we can solve that regulatory framework element and put the focus back on the airlines and building partnerships with industry, you would see these challenges solved very quickly.

Senator O'SULLIVAN: All right. I've got some questions, but I'll come back.

Senator McCARTHY: I have just a couple more. How many pilot schools have we got in Australia?

Mr Morgan: That's a very interesting question.

Senator McCARTHY: You can take it on notice.

Mr Morgan: I'll have to take it on notice.

Senator McCARTHY: With Qantas, for example, looking to establish a pilot school, is that an extra addition that will help, or is that in competition with those flying schools?

Mr Morgan: I'm on the record as saying it's fantastic that Qantas have come to the realisation that they must play a role. But even if Qantas make a \$20 million investment in a flight training academy, they will not be able to meet their own needs for pilot supply going forward. What we need is a whole-of-government, whole-of-industry response to the pilot supply crisis, which is to address the regulatory framework, to reduce the red tape on regional general aviation charter organisations, and to restimulate regional air travel. In response to that, we will start to see that the pilot numbers and the experience that these pilots are gaining comes back into line.

Senator McCARTHY: How many pilots would there be in Australia now who are just unable to fly as a result of those concerns?

Mr Morgan: I'd probably have to come back on that on notice. I believe there are about 36,000 or 37,000 pilots that CASA reports on its books, but it's a very interesting question. We'd have to make some inquiries and come back.

Senator McCARTHY: Thank you.

Senator PATRICK: In the output of your summit, you basically seek to change the objectives of the air safety laws to back off on safety and recognise—I'm getting some nods at the table there, but that's okay—that, in essence, there's a balance between being completely safe—and the best way to make sure that happens is for no-one to fly—and making sure you have a viable industry. That top-level recommendation would need to flow down, I suspect, with the FAA rules coupled into that and a culture change as well, one would imagine.

Mr Paratz: Thank you for the question. One of the very important things that came out of the summit was that the group—in a sense, the core of general aviation in Australia—reaffirmed a total commitment to safety. There was no discussion of trading off safety for cheapness, utility or anything else. In fact, if you look at the group who represent general aviation, you're looking at a group who run their own safety seminars and bring international experts in at their own expense. So the commitment to safety is absolute. You're talking about people who put themselves, their own families and their employees into general aviation aircraft, so the proposition that somehow less safe operation is a good thing is just not on the table, and that was very clear.

If we want to increase the benefits of general aviation, though, we have to look at what it is that's causing the suppression of general aviation activity in Australia. Much of that is the underlying complexity of compliance and process that participants encounter at two timescales. One is the long-term stuff: writing manuals and the stuff that's been talked about already. The other is day to day. In operational complexity, there are things which make aviation less effective—less effective in contributing to the community, less effective in delivering medical services into regional Australia and less effective in providing high-level support of pumps in western New South Wales and so forth. That complexity actually creates barriers to entry, so it's no wonder that young people are not taking up training as a pilot. If, in fact, we had a viable general aviation sector, people would make decisions. I know the question has been taken about how many pilots are out there, but the more important question may be how many pilots are not out there because they took decisions not to be pilots but to do something else.

There are examples of complexity, and some of these are not necessarily regulatory questions; they're whole-of-system questions. One of the questions that I'm sure people who are operating aircraft would ask is: why can't we get some attention to these things from CASA. I'll give you an example, and I gave this example at Wagga. If, for instance, Queensland, Victoria and Western Australia drove on the left-hand side of the road and the other states drove on the right-hand side of the road, you'd say: 'Well, that's a bit of a weird thing to do. I can fix that. I'll make a rule. Every driver must pay attention to the road rules and drive on the appropriate side.' We now have a perfect regulatory situation. There is no problem. But, of course, we all know that near the borders people would come over the road and late at night there'd be safety issues, and you'd always be thinking, 'Which side do I need to drive on?' We don't do that, do we? What we do is that we all drive on the same side. We drive automatically, and it allows us to focus on traffic and not hitting kangaroos—whatever.

So what do we do in aviation? We actually almost nourish and cherish complexity. In fact, we get very good at it. It's almost like Stockholm syndrome, where participants in the industry take great pride in creating and managing complexity because it makes it really interesting. It's sort of a high priest syndrome.

Let me give you a really simple example. There are, in the mainland capitals, secondary aerodromes. AGA uses them. We are over in Archerfield, Bankstown, Parafield, Moorabbin and Jandakot. You would think the procedures at all of those should be the same so that if I've trained at one I can fly to the others. Well, for each of those there are six pages of special, localised procedures, with the exception of Bankstown, which has seven. To arrive at Moorabbin I arrive at 1,000 feet. To arrive at Archerfield it's 1,500 feet. At Bankstown it's 1,000 or 1,500. At Parafield it's 1,500. At Jandakot it's 1,500. To depart Moorabbin it's 2,000 feet. Archerfield is 1,000 feet. Bankstown is 1,500 or 1,000. Parafield is complicated, so you better get reading! And Jandakot is 1,000 feet. So the procedures at five apparently identical aerodromes are completely different. So when a pilot is flying in there, where do you think their mind is? Their mind is saying, 'I read all the notes last night, I've got to remember, I don't want to make a mistake here and I don't want to get yelled at,' when their focus should be outside the aircraft and looking for traffic, managing the aircraft and operating it safely. So there is a lot of structural complexity which actually almost isn't regulatory. But it is structural and it has built up over years with incremental and probably well-intentioned decisions. There is no criticism in what is being said here. But there is a plea: can we strip this down to simplicity and uniformity?

Senator PATRICK: The current act says that CASA must regard the safety of air navigation as the most important consideration. You use words such as 'CASA must achieve the highest level of safety and air navigation as well as maintaining efficiency and sustainability'. I have truncated that, but what you are saying is that you are not in any way intending to reduce the focus on safety but, by reducing complexity, you achieve the second thing, which is to encourage the aviation industry to—

Mr Paratz: Correct. It would mean more participation, more benefits to the community, more viability for the sector, more innovation occurring in Australia, more experts of aviation from Australia and more training of pilots in Australia. It's CASA-plus, not CASA-minus.

Senator PATRICK: That is actually a very important point. I'm glad that I have drawn that out. Thanks for that.

Mr Morgan: Just to underscore that, the reason our industry has identified the part 9 act amendments is that, every single time we come forward to the regulator to query regulation and to recommend change, we have put in front of us that, 'No, it's not going to happen because we are about safety.' So what we are trying to communicate is the industry's desire to see safety and sustainability coupled to a degree.

Senator PATRICK: It's a legal principle that all provisions of the act are interpreted through a lens of the objects of the act, and so you want that in the objects of the act.

Mr Morgan: Correct.

Mr James: CASA will say charter operations can only be in four-engine aircrafts because that's inherently safer than two-engine aircrafts and that's fully held up by how the act reads at the moment. We want it to be a practical application.

Senator PATRICK: That's very helpful.

Senator STERLE: I just have an observation. I don't know the minister. I think he's probably a decent human being but, unfortunately, ministers get entrapped by CASA. I'm no stranger to the operations of CASA. I have been in many political punch-ups with CASA over the years, to the point where former Senator O'Brien from Tasmania and I instigated a Senate inquiry into the operations and governance of CASA. That was nicely buried away. I think, Chair, it's probably time to revisit that again.

Mr Morgan: I will make a very brief comment on that. I think that you have absolutely nailed the issue for us. On the discussion of flight training organisation regulation and the independent flight instructors, when we met with CASA to discuss these concerns the director of aviation safety and his deputy were in that meeting and they were joined by the two people who were actually responsible for part 141 and 142. I think it is fair to say that they were, frankly, not interested in hearing a critique of their regulation. We had a representative from the United States give a comparison—what happens in the US versus what happens in Australia. That same person, Mike Smith, gave a presentation at Wagga. They switched off. They demonstrated themselves as absolutely unwilling to listen and had a complete desire to avoid any discussion of changing what they had created. It became alarming for us when the minister for transport was recently announced, because his aviation adviser is one of those individuals. So we cannot have a discussion with the minister about changing this part of the regulation. I'm not saying that there is a conflict; I am saying that it becomes a very difficult exercise for us, from an industry perspective, to have an open and free debate on the issues if the persons involved are demonstrating a total unwillingness to be open-minded about it.

CHAIR: I thank you, Mr Morgan, and your colleagues for attending today. We know that you have probably come from all points of the globe. I'd like to make an observation to the committee. It's something that we might ask the secretary to put on our next agenda. We've covered a lot of ground here today, none of it as thoroughly as you or we would have liked. I can invite you at the estimate coming up, if you have specific reasonable questions that reasonably seek data or information that you think you can't get that we can, to give them to us and I'm sure we will assess them and ask the questions. You have a couple of champions at the table who seem to understand your industry better than others. Senator Brockman has a great deal of interest. I urge you to continue to liaise with them to provide them with examples. That's the sort of thing that does build pressure to a point where committees like ours—and I am not advocating this, nor am I holding out any potential for it—can have bigger, longer term inquiries that specifically look at issues. Thank you all for your attendance. You leave with our thanks and we wish you all the very best and safe travel back to your destinations.

Committee adjourned at 14:02