



Australian Government
Civil Aviation Safety Authority

**CHIEF EXECUTIVE OFFICER and
DIRECTOR OF AVIATION SAFETY**

CASA Ref: F18/8338-7

Mr Jason Lange
Executive Director
Office of Impact Analysis
Department of the Prime Minister and Cabinet
1 National Circuit
BARTON ACT 2600

Impact Analysis for CASR Part 43

Dear ~~Mr Lange~~ Jason

I am writing in relation to the attached Impact Analysis prepared by the Civil Aviation Safety Authority for options to reform the maintenance requirements that apply to General Aviation.

Thank you for providing the Office of Impact Analysis First Pass Final Assessment which provided comments arranged around the seven questions. CASA has made amendments to the Impact Analysis to address these comments. The section below outlines how these comments were addressed.

Problem

CASA has provided further information about the formal and informal consultative activities that underpin the view that businesses in the General Aviation sector see the current regulatory requirements as imposing an unnecessary regulatory burden.

In addition, CASA has created a text box to include information on the relevant Parliamentary and Government Agency reports.

Objective

CASA has provided a further explanation of the "appropriate levels of safety" and included a reference to CASA's Regulatory Philosophy.

Within the Impact section, CASA has provided a further explanation as to the likely impacts of introducing Part 43 on the safety outcomes for the General Aviation sector. This explanation includes providing further evidence on the accident rates in comparable countries that have implemented comparable maintenance requirements in Part 43.

The delays in making and implementing CASR Part 43 relate to ensuring that appropriate consultation was undertaken with industry, the incorporation of industry feedback and the time required to draft the necessary legislation.

Options

CASA considered the presentation of sub-options and attempted drafting the Impact Analysis to split

Option 2 into 'sub-options' as suggested, however, this:

- Resulted in a more complex document that was difficult to understand
- Was inconsistent with the industry feedback to adopt the FAA regulations as a whole with minimal changes
- Requires an arbitrary choice of what items would be sub-options and it was difficult to provide a succinct explanation for this choice of sub-options

For these reasons CASA remains of the view that the presentation of the options without sub-options provides transparent information to the decision maker and is consistent with the presentation of information to the decision maker on the consultation feedback.

Impacts

The Impact Analysis document was amended to include a Table 2 that provides a more complete presentation of the change in compliance costs. In addition, these compliance cost estimates have been revised to be based on a wage rate of \$80 per hour to be consistent with the OIA guidance note.

Further information has been provided on the derivation of the estimated compliance cost saving as a percentage of total maintenance costs.

Additional information is provided on the likely expansion of services in rural and remote areas, noting that this expansion is likely to occur as the result of additional privileges of maintenance engineers already based in rural and remote areas, rather than from a reduction in engineers based in other areas.

An additional reference is included to provide interested readers with access to further information on the changed procedures for stakeholders under the Part 43 option.

Consultation

CASA has enhanced the Consultation section of the Impact Analysis document, in particular with the inclusion of a reference to the Summary of Consultation document that sets out the details of the consultation feedback and how CASA addressed this feedback. The Summary of Consultation document addresses the OIA question of 'Who did you consult and how did you incorporate their feedback'.

Implementation and Review

For the preferred Option of CASR Part 43, active measures have been put in place to address Implementation and Implementation risks:

- An Implementation plan that outlines all the relevant implementation tasks and the associated risks
- Project management of implementation with reporting to relevant senior management, including the identification risks, their likelihood, consequences and management.

The Impact Analysis document now includes additional information on the transition arrangement, with specific timelines. Importantly, the Impact Analysis document now clarifies that the regulatory privileges of CAR 30 maintenance organisations does not change during the transition period and there is a 3 year transition period in which they can continue to operate as these organisations are currently operating.

CASA has also enhanced the review section to address these comments. In particular, CASA's evaluation focus is on evaluating the success of the implementation through stakeholder feedback, including on the quality of the guidance material provided to industry stakeholders and the

reasonableness of the application and the assessment processes.

In terms of the broader safety objectives, it is recognised that there are multiple factors that contribute to safety and there may be many relevant and contributing factors to any single aircraft accident. As such, there is no one single metric, or even a number of metrics that can be relied upon for measuring success in improving safety without considering these metrics in the context of multiple factors.

In terms of undertaking a specific exercise to collect information from industry in the form of evaluation questions, it is necessary to weigh the value of specific activities that involve stakeholders spending their time to provide information on success metrics against alternative ways of extracting the information in a less burdensome manner. CASA favours obtaining this information through informal means.

Accordingly, I am satisfied that the Impact Analysis now meets the Australian Government requirements.

I submit the Impact Analysis to the Office of Impact Analysis for Second Pass Final Assessment.

Yours sincerely



Ms Pip Spence PSM

Chief Executive Officer and
Director of Aviation Safety

18 June 2024