



# A memo to the Minister

## from Irene King, CEO of the Aviation Industry Association



*With a new Government now in place, KiwiFlyer thought it would be an opportune time to help set our new Minister off on the right foot. Irene King accepted the challenge to provide some constructive advice on what the industry would like to see.*

To Steven Joyce,  
Minister of Transport

Dear Minister,

Congratulations on your appointment. After a long period of portfolio stability on all sides of the political dimension it is great to see a fresh mind, fresh eyes and hopefully fresh thinking.

By now the Transport, Communications and Infrastructure lobbyists will be out en masse arguing a broad spectrum of ideas and philosophies. Most would have travelled to Wellington by aircraft, few would have walked, ridden bikes, taken public transport, or the rail. Some may have used their private motor vehicle but a high proportion would have used the most regular and safe form of public transport - the aircraft.

As an industry we are suffering the stresses brought on by the state of the global economy, falling productivity, the need to generate growth and wealth in our businesses, the need to improve our competitiveness and the need to work harder and smarter each day.

But what really matters, is that unlike many sectors of the economy, the menu for reform is quite simple: Unshackle the industry from relentless increases in compliance costs, remove regulatory inefficiencies and set the platform for enhancing our international competitiveness. To achieve this, industry proposes a nine point plan:

1. Strengthen safety governance via a safety policy statement from the Minister. This is a practice adopted in Australia which defines the desired safety outcomes from a societal perspective, including the level of risk the community is prepared to accept.

2. Make the General Aviation industry directly accountable for safety outcomes via their professional bodies - underpinned with industry enforced standards. Over-regulation of the sector has more adverse effects on safety outcomes, than too little regulation.

3. Reinstate a philosophy of joint and shared responsibility for continuous improvement of safety performance in the Industry. Presently there is a strong perception that the Regulator is favouring punitive action over education.

4. Appoint into industry a person akin to an aviation ombudsman to deal with procedural and process complaints. The objective is not to curtail the powers of the Director, but to ensure the internal administrative procedures of the CAA are fair and equitable.

5. Develop comprehensive rules relating to the protection of information disclosed. Information given freely for the purposes of a safety investigation can be used concurrently for the purposes of launching a prosecution. New Zealand's legislative environment is lagging behind other comparable jurisdictions as is our administrative organisation.

6. Develop a strategy for technology uptake and integration. Investments in new aircraft and on-board technology are being made but application of this technology is prevented or precluded by historical rules that are too prescriptive.

7. Reduce compliance costs which have escalated dramatically. The cost of compliance with DOC, CAA, IRD, ERMA, etc is now well over \$40 for every \$100 earned in a small tourist flight operation. Historically this figure has been closer to \$12.

8. Increase efficiencies. Rules should not take an average of eight years to write.

9. Collaborate to compete. New Zealand has a global class civil aviation framework. We need to leverage this by increasing mutual recognition and access to foreign markets and by establishing an off-set programme for civil aviation to gain credibility off the back of military equipment purchases. And we need to provide consistent long term backing to the industry through a ten year strategic alliance between NZTE and Aviation New Zealand.

Achieve this in the first 100 days in office and Minister you will be legendary. However Industry would be very satisfied if reforms as described above were bedded down in the first term of Government. The changes we suggest are not radical and in fact, Australia has long since adopted most of them.

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Membership of the Aviation Industry Association of NZ (Inc) is open to any company or individual involved with commercial aviation in New Zealand

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