

Submission to Aviation Safety Regulation Review Panel

Concerning Airservices Terminal Navigation Charges

Nature and Purpose of Submission

This submission relates to the Airservices Australia Terminal Navigation Charges, and their effect on Warbird (ex-military) and aerial agricultural aircraft.

Those affected are the approximately 180 ex-military and 300 agricultural/firebomber aircraft operating in Australia.

The issue is related to the Regulatory Review in that The Australian Airspace Policy Statement, and the Airspace Act, require CASA to work with Airservices to ensure:

- “ the needs of all airspace users are properly considered“, and
- “ foster equitable access to that airspace for all users”

The purpose of this submission is to demonstrate that the aircraft in question are being levied charges which are inequitable, and that the equitable access requirement is not being achieved.

Airservices Australia’s Terminal Navigation Charges are based on aircraft Maximum Takeoff Weight (MTOW). This results in our aircraft paying charges which are higher than those to other VFR category aircraft for the same service, and disproportionate to the cost incurred by Airservices in delivering the service.

This is inconsistent with:

- Airservices Services Charter , which lists access and equity as guiding principles.
- the Airservices Act, which lists the functions of promoting and fostering civil aviation, and also requires that service charges must be reasonably related to the expenses incurred by Airservices in providing the service.
- the Airspace Act, which requires equitable access to airspace for all users.

I propose an alternative method which removes the inequity and addresses the inconsistencies.

Nature of the Problem

Airservices Australia’s Terminal Navigation Charges are based on aircraft MTOW.

(in the case of some warbirds, airworthiness documentation refers to Maximum Operating Weight, as external stores which contributed to MTOW are not carried)

This has the effect of applying a disproportionate TNC to warbird and agricultural/firebombing aircraft, because they have significantly higher MTOWs than other single engine VFR GA aircraft.

The overwhelming majority of Australian warbirds are single engine two seat trainers. They are comparable in purpose and operation to GA trainers, such as the Cessna 150 and Piper PA-38 which

have a MTOW well below 1 tonne. The North American T-6, typical of our warbird fleet, has a MTOW in the order of 2500kg.

The warbird trainers have a higher MTOW due to their era, their more powerful engines and the associated need to carry greater quantities of fuel. Agricultural/firebombing aircraft have a higher MTOW due to their role, associated payload and more powerful engines ; this payload rarely applies to flights into controlled airports, and is not carried on landing.

A T-6 is charged about \$35 to land at an Airservices Towered Airport, while the Cessna/Piper is charged about \$10. Both are single engine, two seat trainers which operate VFR, and do not make use of Airservices nav aids. The only service they utilise is the Air Traffic Control Aerodrome Control Service.

Charges are equal to or greater than those paid by multi-engine IFR aircraft which utilise the full range of Airservices' facilities and services. A VFR T-6 pays a similar charge to an IFR Beech Baron. A VFR Air Tractor 502, with a MTOW of almost 5 tonnes, pays about twice as much as the Baron and 60% more than a Piper Navajo.

(For reasons not clear, an RA-AUS registered Jabiru is charged nothing for operating in the same manner, at the same time, as the T-6 or Air Tractor.)

It is not reasonable or equitable that our operators pay inflated charges, compared to other users, when there is no link between the charge and the expense incurred by Airservices in providing the service. This is the inequity in the charging formula which we seek to have addressed.

Associated Issue

From Airservices Charging Contract:

“ 6.4 If We estimate that a Light Aircraft will be liable in the forthcoming Financial Year for Charges of \$500.00 or less We will notify the registered owner of the Light Aircraft that, in relation to that Light Aircraft, no Charges are payable in the forthcoming Financial Year.”

Our operators are in practice excluded from this option solely because of the weight of their aircraft.

- A Cessna 150 owner can make well over 40 flights, flying almost weekly, and stay below the threshold.
- A T-6 owner will exceed the threshold after 14 flights
- An AT-502 will exceed the threshold after 8 flights.

If flown in like fashion to the Cessna 150, (40 flights a year), the T-6 would pay over \$1400 and the AT-502 over \$2600, for the same service which the Cessna owner receives for free. The variation is disproportionate and significant, and effectively a tax on our landings.

Effects of Current Charges

There are negative effects on warbird and ag operations as a result of the current TNC methodology. Warbird and agricultural aircraft are penalised for, and so discouraged from, using controlled aerodromes. The TNC is a significant cost element per flight.

- Warbird pilots fly conventional aircraft as well, and must consider the different cost when choosing whether to fly the T-6 or the Cessna. Pilots may choose to fly the warbird prior to or after ATC hours, which results in them flying in the calmer early or late conditions. This reduces currency and recency in more difficult conditions, which compromises safety.
- The agricultural operator may choose to fly from a basic strip in the area, instead of from the airport, when faced with a significant charge per landing and several landings per hour. This adds cost and complications to the task, and removes those safety advantages associated with licensed airport operations.

These situations and choices should never arise. The existing system penalises our aircraft owners, and increases the cost of operating the aircraft without any associated benefit. There is no link to the cost to Airservices of providing the service.

Desired Outcome

We do not seek special treatment at the expense of others. We seek equity, and a charge related to the expense incurred by the service provider, as promulgated in the legislation.

We propose that warbirds and agricultural/firebombing aircraft, with an MTOW greater than one tonne, be charged the one tonne fee. We would then be paying a similar (often higher) charge to that paid by similar users, for the same service.

This would:

- restore to our operators the access and equity which are incorporated in the Airspace Act and Airservices Charter.
- demonstrate the relationship between charge and expense which the Airservices Act requires.
- assist in promoting and fostering these aviation sectors, as required by the Act, by removing the disincentives which currently exist.

Data Sources

Figures used in this paper are based on:

- the TNC of \$14.20 per tonne as listed in the current Airservices Contract for Services. The amount increases to \$14.70 per tonne in July 2014.
- MTOW for a T-6 of 2.5 tonnes, and a TNC of \$35.50
- MTOW for an AT-502 of 4.7 tonnes and a TNC of \$66.74
- MTOW for a Cessna 150 and Piper PA-38 Tomahawk of 750kg, for a TNC of \$10.65
- MTOW for a Beech Baron of 2.3 tonnes and a TNC of \$32.66.

Individual specific aircraft will vary slightly from these MTOW and TNC figures.

References

In this submission I have argued that the TNCs as applied are inconsistent with these sections of published policy and legislation. Therefore, the charging system should be changed, as suggested, to reflect the legislation.

1. The Australian Airspace Policy Statement

While focussed on CASA as the regulator, para 43 does relate to the subject of Airservices TNCs.

“ 43 CASA is to work closely with Australia’s air navigation service providers to ensure that **the needs of all airspace users** are properly considered; “

2. Airspace Act

Part 3 para 12

(1) In performing its functions and in exercising its powers conferred under the regulations, CASA must:

- (a) foster efficient use of Australian-administered airspace; and
- (b) foster **equitable access** to that airspace for all users of that airspace.

3. Airservices Service Charter

“ In determining how these services are provided, Airservices is guided by the International Civil Aviation Organization’s (ICAO) key performance areas: safety, **access and equity**, capacity, cost effectiveness, efficiency, environment, flexibility, global interoperability, participation, predictability.”

4. Airservices Act

Part 2 para 8. Functions of AA.

“(b) **promoting and fostering** civil aviation, whether in or outside Australia;”

Part 5, para 53. Finance

“ (3) A service charge must be **reasonably related to the expenses** incurred or to be incurred by AA in relation to the matters to which the charge relates and must not be such as to amount to taxation.”

John Kempton

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