

We're aware that sectors of the industry have opposed AIRCARE. The Minister and DoC raised with us these objections. From 'the boots' perspective some of the objections were valid and changes made accordingly.

Others were simply based on disinformation and it's a pity these matters were not raised directly with us. Can we restate any form of operation for hire and reward is subject to the Health and Safety in Employment Act – even owner operators, and as such this Act for the last 20 years has required you to have an effective safety management system. If you do not have one then you have been operating in breach of that legislation. All AIRCARE is doing is providing you with a safety management system in an aviation context which is consistent with ICAO and our shortly to be published SMS rules and AC. It is also providing you with the assurance that you are operating in accord with this best practice code.

Management of noise is a major environmental issue for the industry. Regular schedule passenger transport has been managed by way of a noise standard. There is a noise standard for helicopters but nothing for the rest of the community. AIRCARE provides you with that standard. It effectively provides you with a code of best practice which environmental planners and the courts will take note of, and which the Minister of Conservation has accepted as the code for operations in the Conservation estate.

In accepting the AIRCARE code, while there is acknowledgment that a number of responsible user groups and operators have tried to mitigate noise, in the view of the users of the estate, these processes and practices were not enough. As part of the development of AIRCARE we have spent time with the users ensuring they are satisfied with AIRCARE and that it meets their requirements.

Cost – the Minister was told it costs \$30k to become AIRCARE accredited. CAA has been told the same nonsense. We can easily show the Minister that that's not the case. We now have over one year's identified data on costs. Some AIRCARE accredited operators have chosen to use external consultants. Others have chosen to have their manuals amended. CAA is pretty pleased with this as it demonstrates to them a level of voluntary compliance performance so don't let the team down.

We went through exhaustively with DoC as to why non members pay more for AIRCARE – every time we do something for non members it

costs us 33% tax, plus the development costs of AIRCARE and the risk premium on our insurance for providing performance assurance. To be blunt: AIA works for its members, it is not about giving those who choose not to be members the same advantages. Everyone and anyone is free to join. This significantly reduces the cost of AIRCARE and spreads the development costs across a wider base.

Will AIRCARE accreditation push smaller operators to the wall? It shouldn't. In fact AIRCARE should give operators a real competitive advantage by improving your efficiency, streamlining multiple compliance frameworks into one comprehensive system and allowing you to deliver assurance to customers and regulators in a common template... Once CAA commences full blown risk based auditing, including SMS, it will provide you with an ability to provide a level of independent assurance to CAA over what otherwise could be a very subjective assessment, when it comes to the implementation and effectiveness of your SMS systems and processes.

We are very confident that the AIRCARE SMS framework will not be inconsistent with CAA and we will be working extremely hard to ensure consistency from day one.

Our objective remains one audit, where possible, for a variety of activities. We are about to renew our discussions with NZQA on flight training audits.