

Risk

We are all familiar with risk and we all have different strategies in place to manage the various risks of our business. You know safety, reputation, finance, operations, compliance etc. There's quite a few. But have you ever considered the risks of a whole industry sector?

CAA calls this project the Ag Sector Safety Risk Profile – and note that CAA has other sectors in its sites for the same treatment. So here's the process:

Some months ago CAA commissioned a risk review of the Ag Sector and the risks identified have just been released. There are lessons here for other sectors. Here are the risks identified in a process that involved most of those in the Ag Sector plus CAA and stakeholders e.g. Federated Farmers, fertiliser manufacturers etc.

- Selective compliance
- Oversight
- Operational standards
- Aircraft asset management
- Predatory pricing
- Sustainability
- Overloading
- Safety culture
- Training standards
- Public and client relations
- Legislation
- Aircraft time in service
- Farm infrastructure
- Fertiliser quality
- Accreditation programmes
- Formal safety management

This is a list of headlines only. The actual document spreads to 54 pages. The process used to identify the risks was very robust. It gives an insight into the Ag Sector – warts and all.

The next step of the process is to decide which risks to treat first. Given that there have been 16 risks identified, that is far too many to pick off in one bite. NZAAA and CAA agree that it is realistic to look at just five or six. In reality, treating any of the risks will have some sort of impact on others. It may be that the most serious are the hardest to treat so they won't necessarily be first. But once prioritised for attention the next part of the process is to develop treatment strategies for those risks.

There are some risks for which CAA will have to assume responsibility (although they won't necessarily default to legislation) there are others that the industry will have to address and there are others that industry and CAA can work together to address. No one party will work in isolation of the other and agreed treatment strategies will be overseen by the continuation of the joint steering committee that was set up at the project's inception. That steering committee includes representatives from CAA, NZAAA and industry personnel.

Exciting times and a likely a better way to do business because it is a risk based approach to safety as opposed to a rule based approach.