SPORTS AVIATION
FLIGHT COLLEGE
AUSTRALIA

Sports Aviation Flight College Australia Ltd
Operations Summary Jan 2018

Bega Shire Council Development Application No. 2017-445

Lot 1, 1070 Princess Highway, Frogs Hollow.

This document has been provided to give Council a detailed background of the College Development Proposal in order for Council to understand the flight training component of the College Syllabus.

Version 1.0

Introduction

Traditionally China has had a closed airspace policy, which has prevented the establishment and growth of a recreational aviation sector. During this time, the entire air space has been controlled by the military and the China commercial sector (China Air). This all changed in 2015, with the government deregulating the airspace and putting in place a Government strategy to grow the general aviation market.

With the recreational aviation market in China in its infancy, Sports Aviation Flight College Australia Ltd (SAA) has been created to service this growing need for recreational flight training in China. The college is to be located in the Bega Valley NSW, providing packages to students that include all food, accommodation, tuition and flight training.

The immediate goal of SAA is to establish the first college in the Bega Valley NSW. The long-term vision is to open colleges using the same scalable model elsewhere in Australia. This is a great opportunity to build on the strong relationship between China and Australia to benefit both countries and their local communities.

SAA's business structure is built around a modular system - with each module being a squadron. Each squadron consists of 36 students at any one time. The teaching resources and facilities are allocated to each squadron, making the business an incredibly scalable operation.

The Student procurement and marketing is to be outsourced to individual companies with close business ties in China on a commission basis. Each of these companies will be responsible for the procurement of their respective squadron's students as well as the public relations and marketing of the school and their squadron within China.

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1.0 Background

1.1 China and Aviation

China's history in aviation spans back before the Chinese civil war. Traditionally this has been restricted to the commercial and military sectors. For this reason the framework for the recreational aviation industry is incredibly recent and has been based on existing framework from countries that excel in aviation around the world.

A couple of key points relating to China's aviation industry:

- China started its aviation industry with three impressive major airlines.
- General Administration of Civil Aviation of China was established in 1949 to manage all non-military aviation in the country.
- In 1987, China's government separated the airline operations of General Administration of Civil Aviation of China into a number of state-owned enterprises. The regulatory role was retained by the General Administration of Civil Aviation of China which is now known as Civil Aviation Administration of China (CAAC).

1.1a The Opening of China's Skies

In 2010 China embarked on a policy to deregulate its air space to allow for the establishment of private and recreational aviation. China substantially used USA and Australia air space policy to frame its regulatory policy. The deregulation of the Chinese air space and the opening of the country to recreational aviation was implemented in 2015, with the sector now constantly evolving.

Some interesting points:

- **The deregulation of China's air space opens the floodgates for the Chinese middle class** to participate in recreational aviation throughout China.
- **The civil aviation authority's own training unit can only handle up to 100 students a year.** With the rest of China's 12 or so existing pilot schools already at full capacity. There is a strong demand for recreational aviation, with over 200 firms already applying for general aviation operating licenses.
- **China's national civil aviation authority says the country will need to train about 500,000 civilian pilots by 2035**, up from just a few thousand now. This does not take into account the need for aviation related jobs that support the industry.

Now with the Chinese skies opening for recreational aviation, the race is on to commercialise that space. While the Civil Aviation Administration of China (CAAC) has legislated for the regulation of recreational aviation, the regulatory framework has not as yet been comprehensively detailed. This regulatory framework will evolve over time as the demand for recreational aviation increases.

1.2 Australia and Aviation

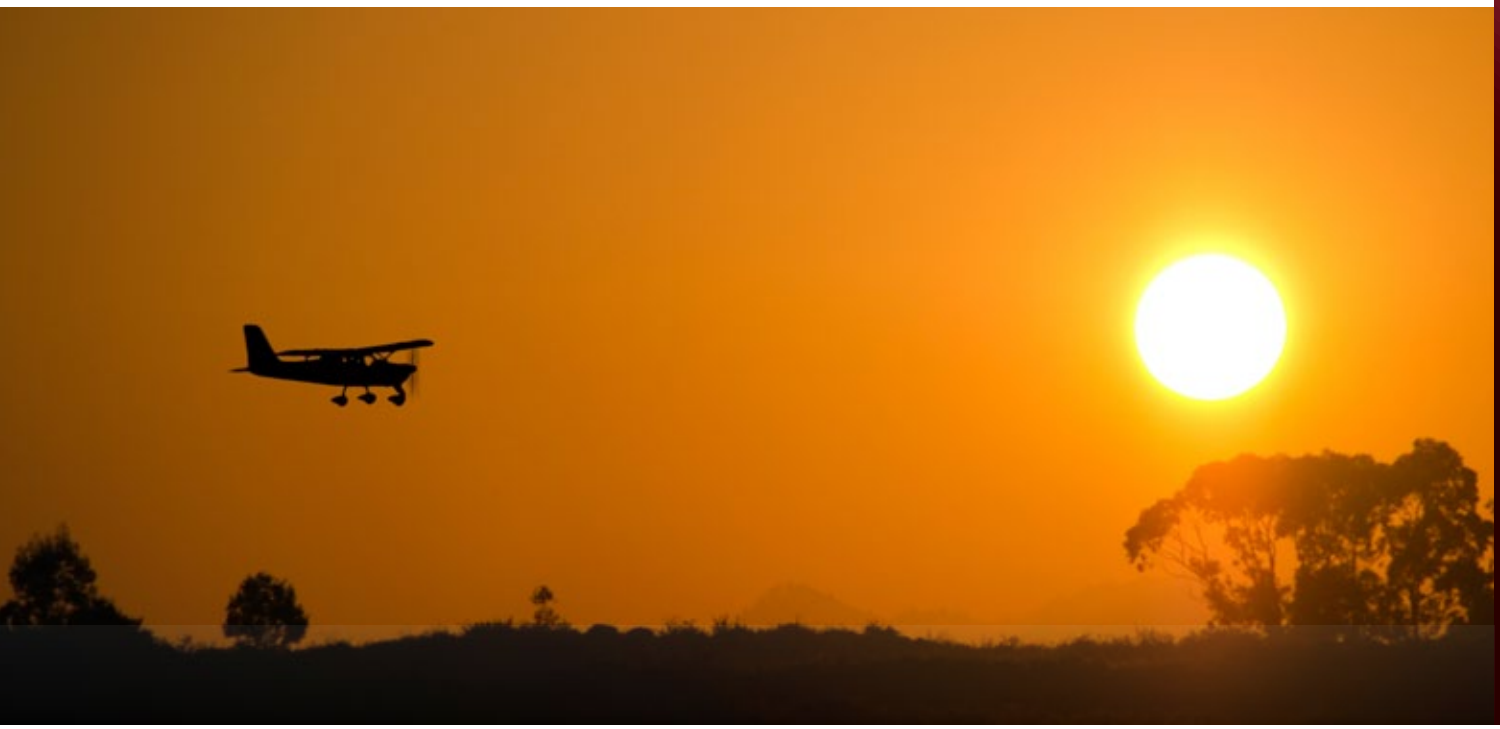
Australia has one of the oldest and most developed aviation industries in the world. The industry spans back as far as the early 1900s. With such a long history in aviation, it has established itself as one of the leading destinations to learn aviation-based skills.

A couple of key points worth noting:

- **Australia is among the leading nations in the world in aviation safety.**[1]
- **Recreational Aviation has been taught in Australia since this category of aviation evolved over 25 years ago**
- **Australia is a sought after destination for commercial aviation students from China and other countries.**[2]
- **The governing body Recreational Aviation Australia (RAA) is highly regarded and is governed by CASA**, the Australian regulator.
- **The Australian regulatory framework is acknowledged as being among the most comprehensive frameworks in the world.** This framework has evolved with time, with RAA adapting and learning from its long-term experience in the field.

1. http://www.abc.net.au/news/2015-01-07/qantas-tops-airline-safety-rankings/6005074

2. http://www.news.com.au/travel/travel-updates/onus-on-australia-to-train-261000-pilots-for-asia-pacific-by-2034/news-story/35adffea8c80c4e384bc4b0de8383c95



1.2a Australia as a Tourist Destination

Australia has long been a destination of choice for tourists from around the world. The vast array of wild-life and outback scenery have become major draw cards while Australia's famous landmarks and the modern metropolitan cities have become iconic must-sees on a lot of tourists wish-lists. **Some Key Figures:**

- **China is Australia's fastest growing inbound tourism market** and largest contributor to international visitor spending in Australia
- 44% of Chinese visitors in Tourism Australia's 2014 survey cited **Australia's unspoilt natural environment as the single best feature of Australia.**

1.2b Australia as a Student Destination

This tourism interest in Australia's nature and lifestyle has also translated to the international student enrollments in the education sector, with China the largest contingency. While the education accreditation is always a high priority, Australia's relaxed lifestyle, natural environment and its cultural diversity places it amongst one of the most sought after places to study in the world.

Some Key Figures:

- **Australia has one of the highest intakes of international students in all OECD countries.** In 2014, just under one in five (19%) tertiary education students in Australia were international students. This was followed by the United Kingdom (18%) and Switzerland (17%).
- **In 2013, there were 150,116 Chinese student enrollments** in the Australian higher education sector

http://www.oecd.org/edu/education-at-a-glance-19991487.htm

1.2c Benefits of International Students

International education is the third-largest earner of international export revenue for Australia, generating more than $12 billion per annum, trailing only the coal and iron ore extraction industries, and eclipsing tourism.

The benefits of inbound international students are easy to identify. To start with, international education generates jobs for people in Australia. These are valuable roles for teachers and professional staff, these are jobs that Australia wants to foster and grow.

Second, the benefits of inbound international education spill over into other sectors of the economy. **A 2009 Access Economics report** revealed that more than $6.4 billion per annum is spent by international students on tuition and **$4.3 billion on food and accommodation**. Students are often visited by family and friends, and they are likely to return to Australia after they graduate, generating income for the nation as they visit their former stomping grounds.

Third, international students foster long-term goodwill and international understanding between Australia and the countries from which students originate. Due to the foresight of schemes such as the Colombo Plan, which promoted economic and social development, many business and government leaders in the Asia-Pacific region are alumni of Australian instituions. They have fond memories and appreciation of their formative years spent in Australia. This influences their perceptions of Australia and promotes our standing in the region.

Fourth, international education has all the attributes of a luxury product, where brand equity associated with institutional names carries substantial prestige and opportunities for premium pricing. It is not commoditised, and not subject to serious price-based competition from international competitors with lower labour rates.

Finally, almost all of the economic benefits are retained in Australia. This is crucial to Australia, where education and research are future drivers of productivity and hence prosperity. Regional communities have the added benefits of bringing tourism and infrastructure development to the area.

http://www.abc.net.au/news/2010-11-10/international_students3a_in_our_best_interests/40900

1.3 What is Recreational Aviation?

Recreational aviation is the term used to describe the flying of aircraft for the purpose of enjoyment. In Australia this is regulated by Recreational Aviation Australia (RAA) (which is overseen by CASA). RAA specifies the rules and regulations that must be adhered to when performed. To be classified as recreational aviation, a pilot can not make a profit for flight time.

1.3a Where does it fit in to the Aviation Industry?

There are five main categories of Pilot certificates and licenses:

1. **Recreational Pilots Certificate (RPC)**
2. **Recreational Pilots License (RPL)**
3. **Private Pilots License (PPL)**
4. **Commercial Pilots License (CPL)**
5. **Airline Transport Pilots License (ATPL)**

Recreational Aviation

Recreational Aviation is covered by **a pilot certificate and a pilot license, the RPC and the RPL**. The certificate or licence specifies the class of aircraft that can be flown by the pilot.

Recreational Pilots Certificate (RPC)

A Recreational Pilot Certificate allows you to:

- Fly a two seat RAA recreational registered aircraft in uncontrolled airspace during daylight hours anywhere in the Commonwealth of Australia with navigational endorsement.
- Take a passenger when endorsed to do so.
- Fly aircraft with a maximum take-off weight (MTOW) of 600KG or 650KG for a float plane.

Recreational Pilots License (RPL)

A Recreational Pilot's License allows you to do everything you can do on a Recreational Pilot Certificate (RPC) as well as:

- Flying in controlled airspace
- Fly aircraft with more than two seats up to 1500kg Take-off weight.
- Carry additional passengers if you hold a Class 2 Medical.
- Fly aerobatics (additional training required)

Private Pilots License (PPL)

A Private Pilot's License allows you to do everything you can do on a Recreational Pilot License (RPL) as well as:

- Fly at night (with additional training beyond the PPL)
- Fly on instruments / in cloud (with completion of the instrument training)

Commercial Pilots License (CPL)

A commercial pilot licence (CPL) authorises you to conduct private and commercial operations. You can be the co-pilot in any operation and the pilot-in-command of any operation except the following:

- multi-crew aircraft in charter or regular public transport operations
- an aeroplane certified for single-pilot operations with a maximum take-off weight (MTOW) of more than 5700kg in regular public transport operations
- turbojet aeroplanes with a MTOW of more than 3500kg in regular public transport operations.

Airline Transport Pilots License (ATPL)

An air transport pilot licence (ATPL) authorises you to conduct private and commercial operations. In addition to private and commercial pilot licence privileges, you can be the pilot-in-command or the co-pilot of any operation. You must hold the appropriate aircraft category rating on your ATPL and the class or type rating for the aircraft you want to fly.

1.3b Pilot Stages

The aviation licensing system in Australia has been designed to be an incremental path where by the student can start as a recreational pilot (RPC) on a recreational aircraft and can continue to learn and gain accreditation to progress to eventually qualify as an airline pilot (ATPL) and fly a jetliner.

The system is designed so the student pilot can start with RPC and when their pilot certificate issues, they can enjoy flying recreationally while considering furthering their aviation career. If after a couple of years of enjoying flying they find that they want to expand their horizons and go for their private licence, all of their experience still counts.

The recreational pilot certificate is a stepping stone to other flight qualifications including the Recreational Pilots Licence (RPL), or a Private (PPL) or Commercial licence (CPL or ATPL) issued by the Civil Aviation Safety Authority. Every hour that is logged counts towards the private licence requirements so the trainee only needs to complete the parts of the private licence (instrument flying, controlled airspace) not covered by the RAAus.

2.0 An Export Opportunity

With Australia traditionally being one of the best places to learn how to fly, and China's need for trained pilots, the SAA flight college seeks to strengthen the China-Australia relationship with an exclusive focus on the Chinese recreational aviation market. A purpose-built facility will be constructed in regional Australia that will be geared specifically towards training Chinese students.

Building upon strong Australasian relationships

Building upon a strong history of good relationships between China and Australia, SAA is well positioned to cater for the growing needs of the Chinese recreational aviation industry.
Unlike any other **recreational** flight school in Australia, SAA will be providing student 'packages' with all flight training, aviation English, food, accommodation, cultural activities and return flights to Australia included. Cultural activity days will also be run to give each student exposure to the Australian outback, culture and wildlife.

An export in Skills and Expertise

Australia in recent years has relied heavily upon the mining industry as it's main export. The SAA flight college is an opportunity to grow an **export industry** in an area where Australia is already a world leader. Harnessing local skills and creating jobs in regional Australia, accessing decades of proven framework in recreational aviation, building strong relationships with China and exporting accredited students of a high standard, it is a win-win-win scenario.
When running at full capacity, the flight college will be employing **in excess of two hundred full-time equivalent positions.**

As the recreational aviation market in China is still in its infancy, there are few statistics available to create a detailed analysis of the market. There is however a lot of buzz around aviation as a whole in China, with a lot of industry key figures tipping it to become the largest market within the next twenty years.

When analysing the aviation market world-wide, recreational aviation is consistently the area of high growth. This can in part be attributed to the reduction in the costs of sports aviation planes, making this an accessible recreational activity. With the opening of China's skies, and the rapid rise of the Chinese middle-class, China's recreational aviation market is set to be the next boom.

2.1a Aviation in China

i. What the Industry is saying

In a recent interview with Steven Lien, **president of Honeywell Aerospace Asia-Pacific**, he made it very clear Honeywell believes China has a very prosperous future in the Aviation Market.

*"**China is expected to become the world's largest aviation market in the next 20 years.** According to the State Council of China, China is expected to build more than 500 general aviation airports across the country and own more than 5,000 all-purpose aircrafts by 2020. In addition, China is becoming a key supplier of aircraft and component systems. **The government is acting as an avid supporter of this growth, emphasizing the importance of the aerospace industry for the development and growth of the country.**"*

Steven Lien also pointed out how far China has come in a very short time.

*"The growth of China's aviation industry has been so consistent and robust that people sometimes forget just how far it has come in a relatively short time. **China has become a major global player in aviation for the foreseeable future.**"*

Honeywell Aerospace is a major provider of aircraft hardware and avionics systems and is investing heavily in the Asia Pacific region to capitalise on the China boom.[1]

Some Australian flight schools are already experiencing the increase in demand from China where Chinese airlines are basing their training facilities in Australia.[2]

1. http://www.telegraph.co.uk/news/world/china-watch/business/worlds-largest-aviation-market/
2. http://www.abc.net.au/news/2014-10-17/chinese-commercial-pilots-to-train-at-upgraded-kemspey-airport/5820742

ii. What analysts are saying

CNN Money

China's first large jetliner took its first flight this year (May 2017), providing further evidence that China is taking aviation very seriously. This achievement is widely seen as an indicator that both Boeing and Airbus are soon to have a new major competitor in the jetliner manufacturing industry. CNN Money recently published an article highlighting China's achievements in aviation, here are some of the key statistics.[3]

- *487 million: That's the number of domestic and international journeys made last year in China, according to data from the Civil Aviation Administration of China (CAAC).*
- *Even more impressive is how quickly the market is growing. The number of trips made last year increased by 12% over 2015, according to CAAC.*
- *The surge in air travel has been fueled in large part by middle class Chinese who are spending billions on domestic and foreign vacations.*
- *With a population of 1.4 billion, the trips add up: Analysts predict that China will surpass the U.S. as the world's largest commercial aviation market by 2030.*[3]

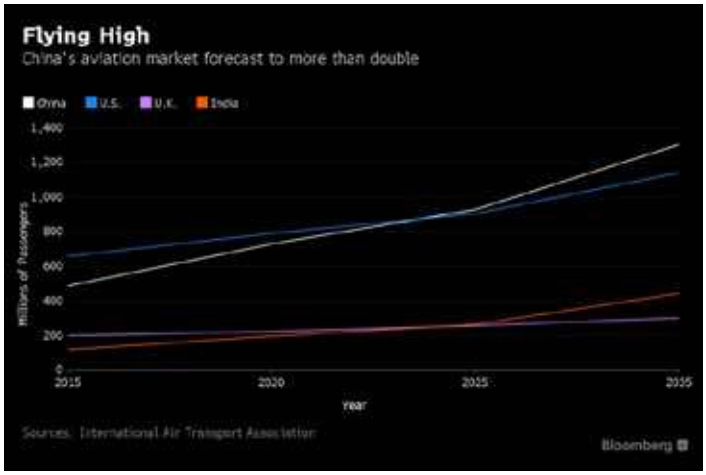
3. http://money.cnn.com/2017/05/05/investing/china-aviation-market-c919/index.html

Bloomberg

Bloomberg are also reporting on China's rapid growth in the aviation market.[4]

"China is set to overtake the U.S. to become the world's largest aviation market by passengers by 2024 as more people take to the skies domestically and internationally, according to the International Air Transport Association."

"The number of people flying to, from and within China will almost double to 927 million annually by 2025, from 487 million last year, according to forecasts from IATA made in an e-mailed statement, and reach 1.3 billion by 2035. In comparison, passengers in the U.S. will increase to 904 million by 2025, from 657 million last year, according to the predictions." [4]



"People want to fly," Alexandre de Juniac, IATA's Director General and chief executive officer said in a report this week. "Runways, terminals, security and baggage systems, air traffic control, and a whole raft of other elements need to be expanded to be ready for the growing number of flyers." [4]

4. https://www.bloomberg.com/news/articles/2016-10-21/china-to-surpass-u-s-as-world-s-largest-aviation-market-by-2024

2.1b China's need for Pilots

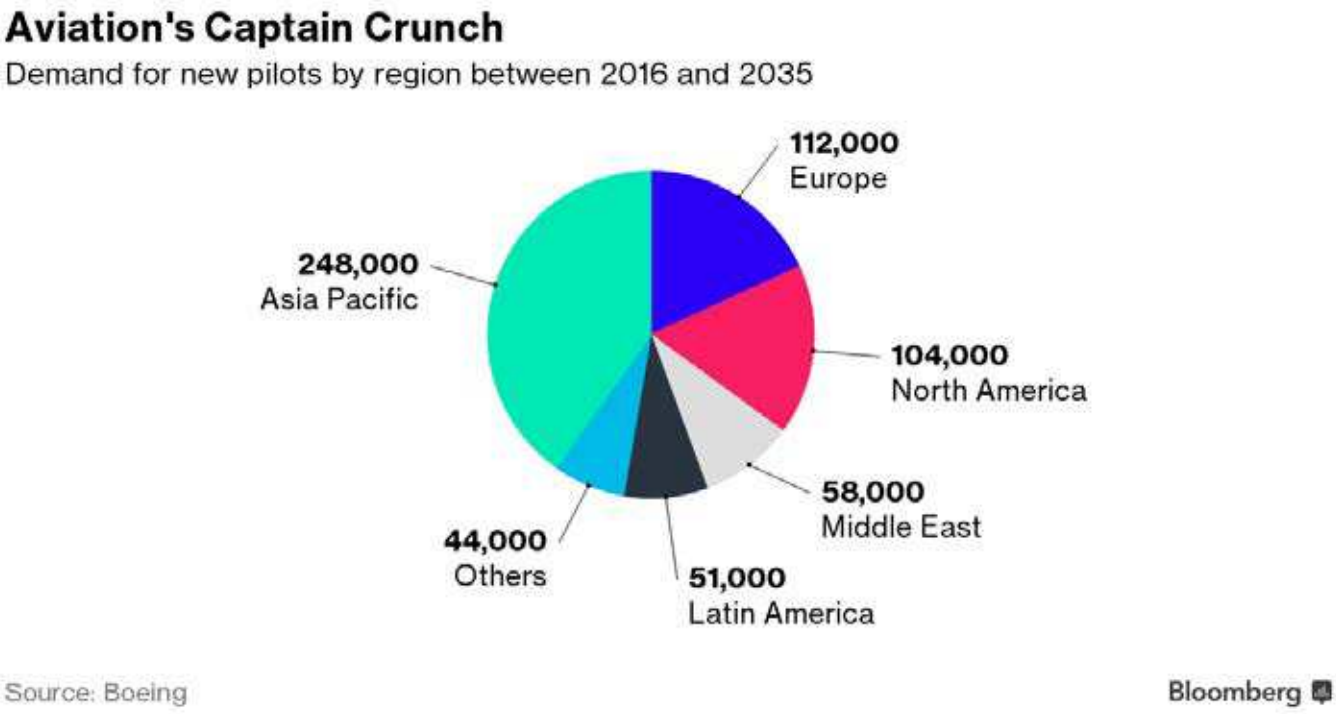
Due to the rapidly growing aviation market in China, there is an unprecedented worldwide demand for pilots. Bloomberg estimates that China will need to hire 100 pilots a week for the next 20 years to meet skyrocketing travel demand.

"Air traffic over China is set to almost quadruple in the next two decades, making it the world's busiest market, according to Airbus Group SE. Startup carriers barely known abroad are paying about 50 percent more than what some senior captains earn at Delta Air Lines, and they're giving recruiters from the U.S. to New Zealand free rein to fill their captains' chairs." [5]

All of the flying hours accumulated under the recreational aviation licence can be applied towards obtaining a Professional Pilots Licence or a Commercial Pilots Licence within the Australian system.

5. https://www.bloomberg.com/news/articles/2016-08-17/chinese-airlines-lure-expat-pilots-with-lucrative-pay-perks

Below is a graph showing Boeing's estimated geographic requirements for pilots over the next 20 years. **Based on these forecasts, the need for pilots in the Asia Pacific will be more than that of North America and Europe combined.**



https://www.bloomberg.com/news/articles/2016-08-17/chinese-airlines-lure-expat-pilots-with-lucrative-pay-perks

Boeing is also seeing the need for aviation technical and engineering staff and an increase in spending on new aircraft.

"The Asian country (China) also needs 119,000 flight technicians over the next two decades, while Southeast Asia requires 62,000 pilots and 67,000 technicians, Boeing said.

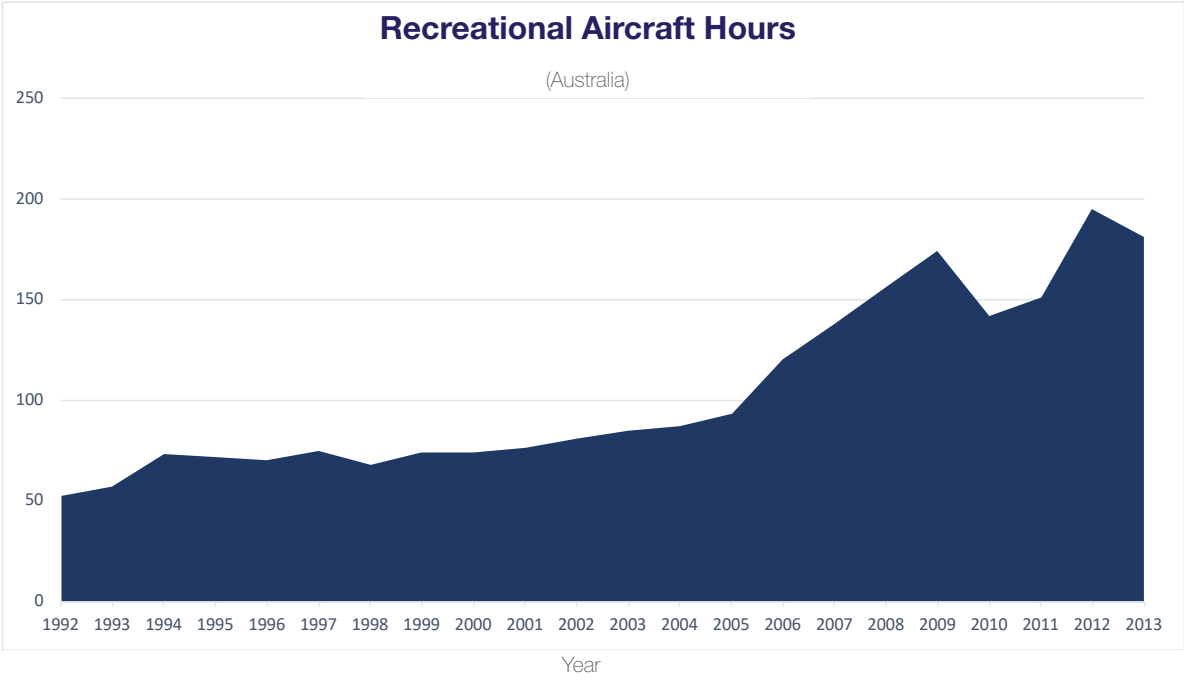
In a global forecast in July, the aircraft maker said airlines worldwide will need to recruit and train about 617,000 pilots to fly 39,620 planes, valued at $5.9 trillion, that are expected to be added through 2035.

The Asia-Pacific region will need 15,130 new aircraft valued at $2.35 trillion in the next two decades, according to Boeing."

https://www.bloomberg.com/news/articles/2016-12-07/china-needs-5-550-new-pilots-a-year-as-travel-soars-boeing-says

2.1c Recreational Aviation Market

The recreational aviation market worldwide is widely acknowledged as the growth sector of aviation. Due to the relaxed (and recreational) nature of the industry, there are not strong sets of world-wide data that are easily accessible. There are however regulatory statistics that clearly show this trend in the Australian market through the number of hours flown on recreational aircraft (see graph below).



https://bitre.gov.au/publications/ongoing/files/General_Aviation_Activity2013.pdf

Looking at the lightweight aircraft market world-wide, Dan Johnson, a renowned aviation authour dissected data accumulated from the General Aviation Manufacturers Association (GAMA) in an article in 2015. The article **Analyzing statistics on worldwide aviation** reports on this data and acknowledges the lack of consistent data collection worldwide. In summary however, he could comfortably establish that while the overall number of pilots is declining, the sports aviation sector looks to remain aviation's growth sector.

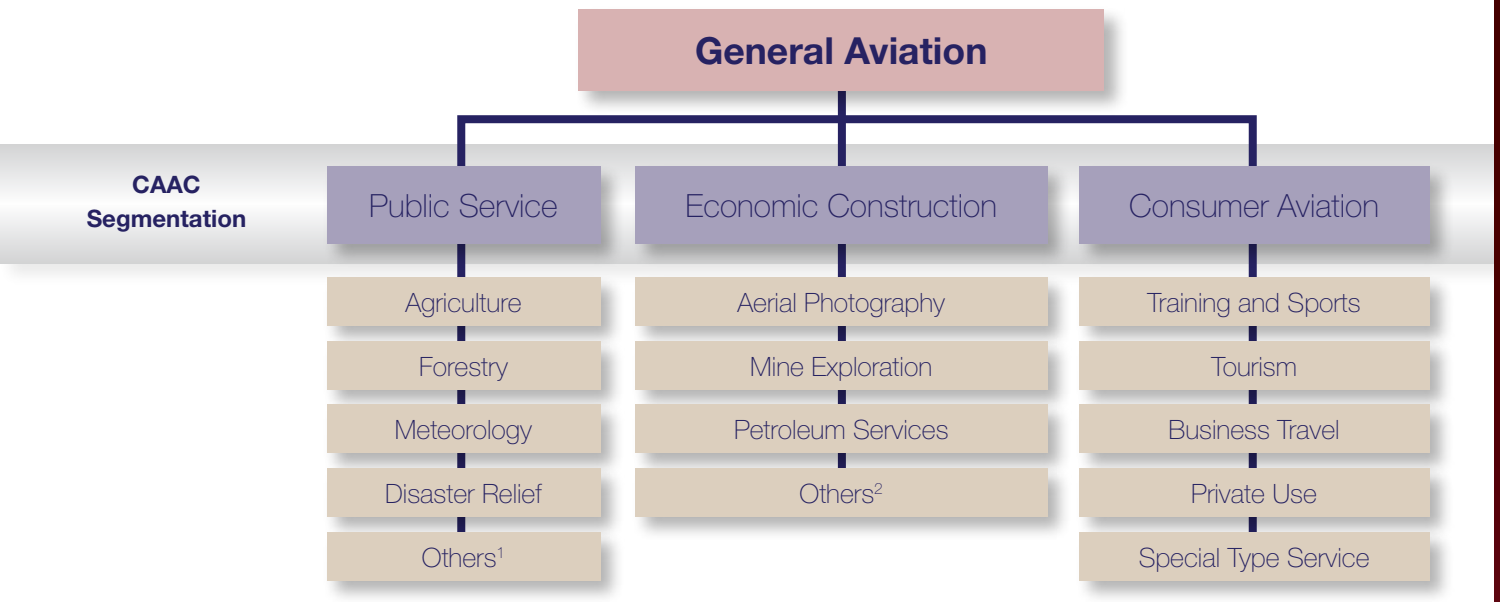
"In summation, my earlier reporting suggests that while certified aircraft and the pilot population are in a long-term decline (a fairly well-known assessment), sport and recreational aircraft, including kit-built, continue to expand. Given entry by emerging aviation countries like China and India with their immense populations, the expected increase of the light, sport sector looks to remain aviation's growth sector."

Dan Johnson

https://generalaviationnews.com/2015/05/31/analyzing-statistics-on-worldwide-aviation/

2.1d Recreational Aviation Market in China

Unlike Australia, recreational aviation in China falls under the category of "General Aviation" (GA). In China, the GA sector is divided into three main segments: public services, economic construction and consumer aviation, which includes transportation (the major producer of economic and social benefits from GA development).



1. Others include aircraft seeding, pest control, farming and emergency rescue
2. Others include remote sensing, power line services and industrial associated applications

Source: Committee of General Aviation Specialist of China Aviation Industrial Base (CAIB), CAAC and Booz & Company analysis

Chinese General Aviation entering High Growth Period

China is experiencing a massive expansion of its general aviation industry. While China's total civil aviation turnover has been ranked the world's second largest since 2005, the development of its GA industry is still lagging behind.

By the end of January 2016, China had 1,905 general aviation aircraft – more than three times that of 2010 – yet only 0.7 percent of that in the U.S. Meanwhile, the GA sector's total revenue contributes a mere one percent to the country's civil aviation industry.

As such, the GA industry presents huge growth potential in terms of GA aircraft numbers, GA professionals, and GA facilities.

http://2016.export.gov/china/build/groups/public/@eg_cn/documents/webcontent/eg_cn_105813.pdf

Demand for Light Aircraft in China

Light aircraft, which form the largest part of the global GA fleet, are poised to be the next mainstream in China. For years, the country's demand for light aircraft has mainly been powered by GA flight schools, where small planes are used for training purposes. Today, foreign aircraft makers are seeing new opportunities in the country's short trip market.

Light aircraft will largely facilitate trips in China's massive mountainous and lake areas. According to Pan Linwu, vice-chairman of Continental Motors Group, compared to building railways or highways, paving a simple runway will be able to save a significant amount of cost and investment. The company is a supplier of the Civil Aviation University of China, a university that has over 60 light aircraft for training students.

Paul McGartoll, vice president of Strategy and Business Development for Textron Aviation, stated that **the sale of light aircraft in China increased by 25 percent in 2015**. It is estimated that China will need over 10,000 light aircraft in order to meet the general aviation sector's rapid expansion.

http://2016.export.gov/china/build/groups/public/@eg_cn/documents/webcontent/eg_cn_105813.pdf

Bantam Aircraft - Primary SAA College training aircraft

2.1e Chinese Government "Strategic Emerging Industry"

Since 1953, The Chinese government has been developing Five-Year Plans to communicate national goals and set priorities for economic growth and improve the quality of life for Chinese citizens.

General Aviation (GA) debuted in China's 11th Five-Year Plan (2006-2010) as the industry gained greater importance over the last few decades. GA's priority was increased in the 13th Five-Year Plan (2016), which was approved by the National People's Congress and released publicly on March 17, 2016.

Additionally, on May 17th, 2016, the General Office of the State Council of China (China's highest state administrative body) released "**The Guide to Promote General Aviation Industry Development."**

The Guide, which outlines key economic goals and sets policy guidelines, **raised the level of priority placed on China's General Aviation industry to a "strategic emerging industry."**

To meet national goals, Chinese business and government leaders are investing significantly in China's airport infrastructure, pilot training programs, safety education and the gradual opening of low-altitude airspace.

https://www.blueskyinnovationsgroup.com/chinas-general-aviation-industry-is-set-for-takeoff-with-new-ga-alliance/

Some excerpts from "the Guide to promote General Aviation Industry Development";

"Utilize the feature of "compact aircrafts models, small air routes and short air range" of GA, to adapt the need of the people lives in remote areas and regions with ground communications difficulties to travel, actively develop the short-haul transportation means to provide versatile aircraft model services, to realize the normality of aircraft transportation. Governments and Institutions shall encourage regions with supportive conditions to develop commercial aviation industry, to satisfy the traveling needs in the aspects of customization and efficiency."

"Governments shall promote the fuse between GA and the internet or the innovative economy, to expand a new look for GA. Governments shall promote the combination of the GA and tourism, carrying out aero-sightseeing in proper regions. Governments shall encourage flight training and therefore increase the percentage of students who hold pilot licenses. Actively develop non-commercial use of GA such as for the individual use, corporation use, encouraging the initiation of sports aviation and flying experience gaining. Utilizing activities such as airshow, flight competitions, aviation cultural exchange to support social groups such as aviation clubs, GA amateur associations and enlarge the body of the GA amateurs and consumers in China."

https://www.linkedin.com/pulse/guideline-promoting-development-general-aviation-industry-feng-zhu

2.1f Chinese Government Industry Support

Commitment to Sports Aviation Projects

With the Chinese government having introduced a series of preferential policies to vigorously promote the general aviation and sports aviation industry. The Aero Sports Association (ASA) - a not-for-profit organisation from the USA has been active in growing the sports aviation sector in China.

On the 7th of February of this year, a signing ceremony between ASA and Anyang City Governments was held to commit to investment in a major sports aviation project. The total investment for the Anyang International Sports Aviation City project is $1.3 billion dollars with a total of 823 acres of land.

The following day, on the morning of February 8th, ASA held another signing ceremony at Wuhan City, at the administration center of Wuhan Economy and Technology Development Zone. They plan to invest $2.3 billion dollars with a total of 590 acres of land along with a large lake area for seaplanes and water sports. The project will include a seaplane training base, clubs, lake view villas and a manufacturing zone.

http://www.aerosport.org/milestone-for-asa-sports-aviation-developments-in-china/

3.0 The Flight College

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Sports Aviation Flight College Australia (SAA) is a proposed flight college to be located in southern NSW that is aimed specifically at addressing the Chinese market. The product on offer from the college is a packaged solution that includes flights to and from China, an aviation English course with flight theory and flight training required to acquire a recreational aviation certificate or license. The purpose built facilities will include all accommodation, teaching facilities and food requirements for the student's stay and provide recreational 'cultural days' to experience the culture of Australia.

3.1 Packaged Approach

The SAA College, we believe is the only recreational flight college designed to specifically address the needs of the Chinese recreational aviation industry. To provide a solution that caters to the Chinese market's needs, the course is to be run as a 'package' for each student.

Each package includes:

- Assistance with Student Visa
- Return Flights to Australia
- World recognised 7 week Aviation English course
- 4 week RAA flight and flight theory syllabus
- All required syllabus, learning material and flight training gear
- All meals and accommodation
- Recreational Aviation Australia (RAA) membership
- Aircraft maintenance workshop introductory accreditation course
- Aircraft assembly introductory accreditation course
- Flight experience on three different aircraft
- Australian cultural fun days to experience the country
- Recognised RAA pilot certificate and recreational pilot's licence and flight college certificates for aviation English, aircraft maintenance and aircraft assembly.

3.2 The Location

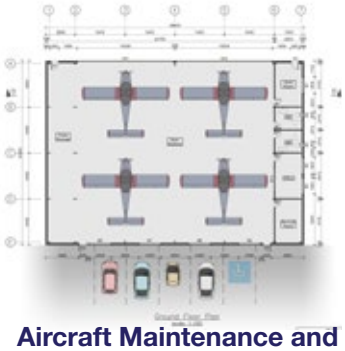
The preferred site for the College is the beautifully scenic **Bega Valley**. Since 1937, the site (Frogs Hollow) has had an existing landing ground which has been used for many years by a recreational aviation club. The club will be offered continued use of the air field.

The area is perfect for learning to fly and has a great variety of traditional Australian landscape within close proximity. The site is located between the coast and the snowy mountains, making it the perfect location to engage in cultural activities and exploring the local landscape.

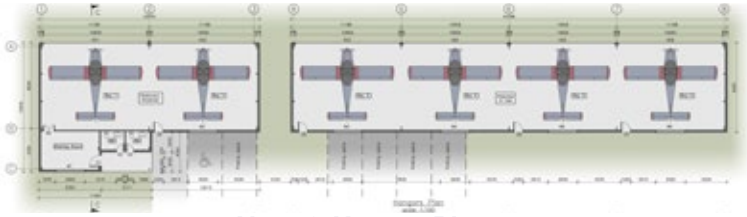
3.3 The Facilities

The flight college will have all of the student accommodation and teaching facilities built on-site. These facilities will include classrooms for the aviation English and flight theory, individual rooms and amenities for each student and cafe and recreational facilities for down-time.

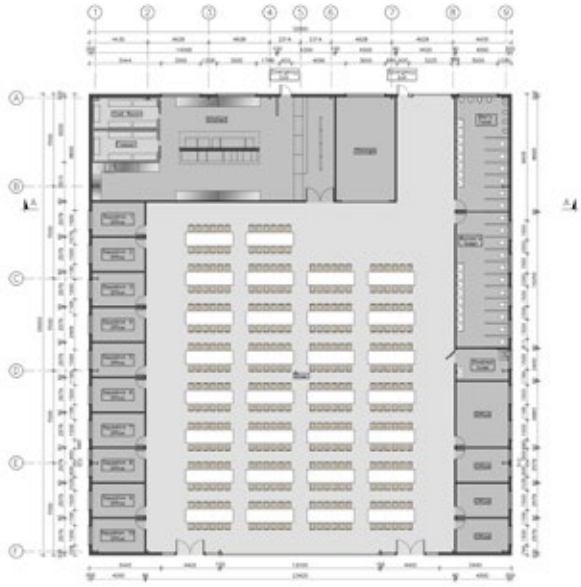
All food will be provided as part of the package along with internet and washing facilities.



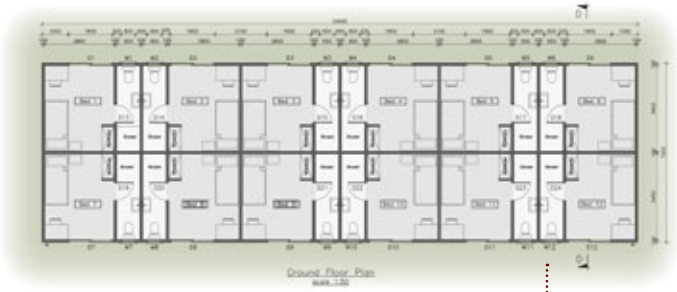
Aircraft Maintenance and Assembly Workshop Plan



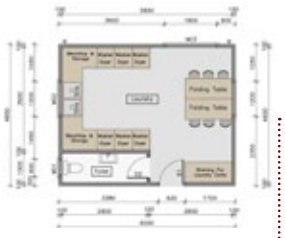
Aircraft Hangar Plan



Main Building Plan

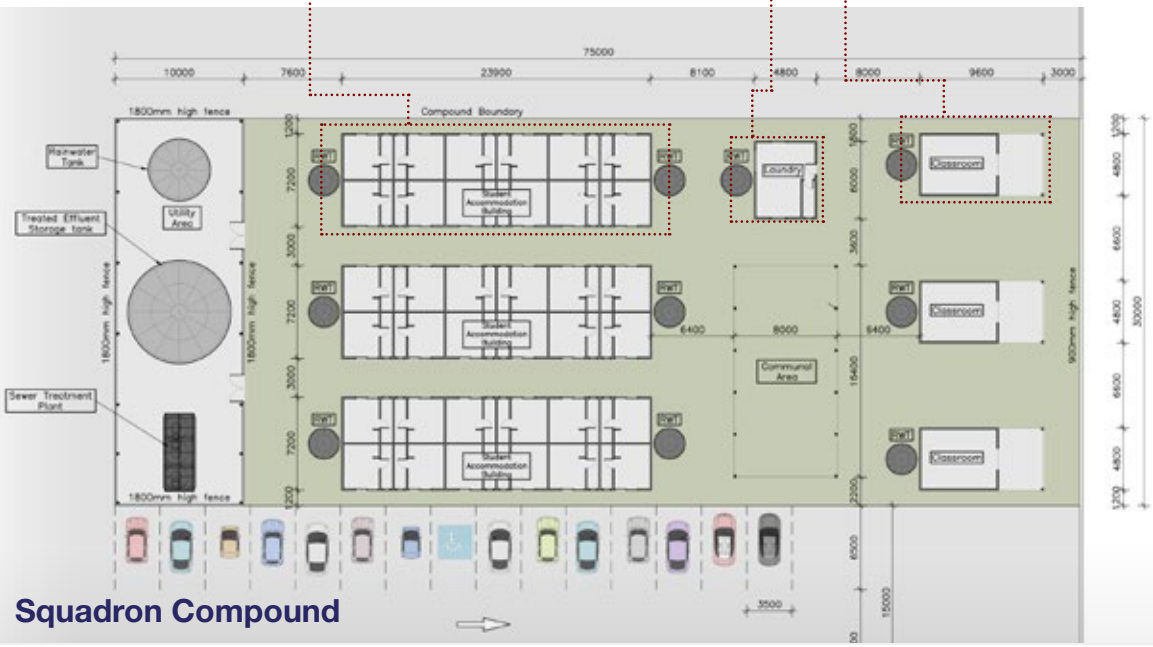


Accommodation Block Plan



Laundry and External Toilet Plan

Classroom Plan



Squadron Compound

3.4 The Gear

ipad

A complete training kit will be issued as part of the package. This kit includes:

- Flight Suit
- Flight Headset
- Flight Boots
- Ipad with RAA syllabus and flight training software

Internal training and study activities between squadrons and cadet groups will be conducted to create competitive results. These results will be represented by badges which will be displayed on each student's suit.

The students will retain and take home the complete training kit.

3.5 Proposed Site Plan

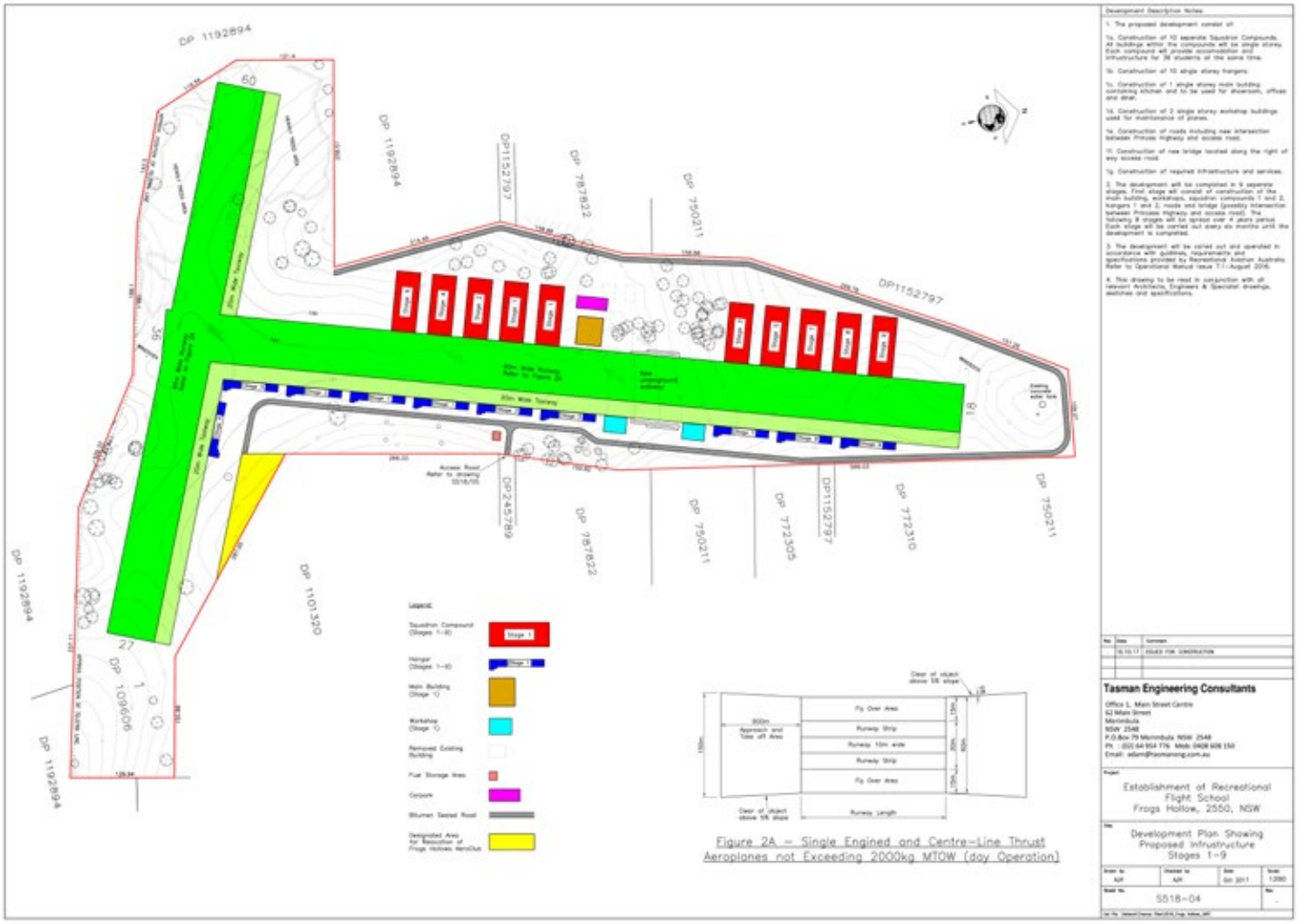


Figure 2A – Single Engined and Centre-Line Thrust Aeroplanes not Exceeding 2000kg MTOW (day Operation)

3.5a Existing Zoning of Airstrip

The Bega Valley Local Environment Plan is shown below. This particular map shows the current zoning of the Bega Valley.

Certification

As shown to the right, the Frogs Hollow property is already zoned as an “Air Transport Facility”. This is the major certification that the Flight College needs to operate on the land.

There will be the standard requirement of a DA for the construction of the College to commence.

The Frogs Hollow Airstrip is shown below on the OZRunway WAC chart, which are existing aviation maps that are used by pilots nation-wide.

Frogs Hollow YFGS

Operational

type
Unlicensed
elevation
300ft
permission
Required to check strip details & condition.
rwys
18/36 gravel/grass 1000m. 09/27 gravel/grass 850m.
procedures
Beware trees.
windsock
E of intersection and N of N end.
fuel
Available at Merimbula by arrangement

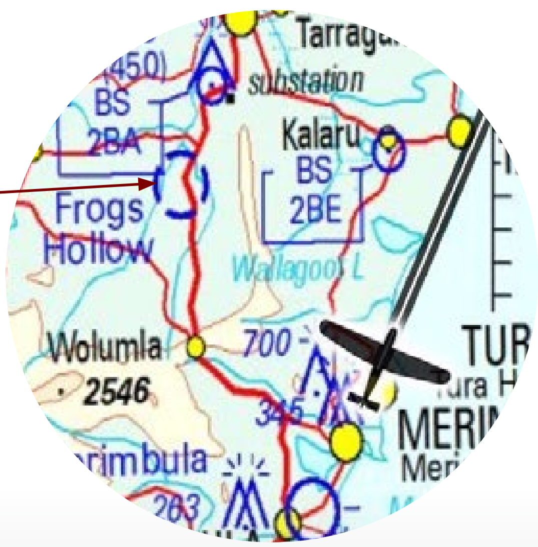
General

facilities
Drinking water available
toilets
Available
mobilephonecoverage
Yes
nearesttown
Bega 11km N
accommodation
Bega Downs Motel 02 6492 2944. Bega Village Motor Inn 02 6492 2466. Northside 02 6492 1911. Southtown Motor Inn 02 6492 2177
taxi
02 6492 2156
attractions
Bega Cheeses. Historical Museum.. Beaches & coastal resorts. Good fishing. Whale watching in season.

Operator

name
Eric Johnston
address
'Frogs Hollow'
city
Bega
state
NSW
post
2550
phone
Eric Johnston (son) 02 6494 9759

Frogs Hollow Airstrip



SPORTS AVIATION FLIGHT COLLEGE AUSTRALIA

coming to an airstrip near you

Frogs HOLLOW

By Kreisha Ballantyne

TEN nm north west of Merimbula, nestled in the Bega valley, lies a neatly mowed 1000m strip. Not instantly visible - but fortunately marked out by its neighbour, the go-cart track - this slightly hilly, but very approachable, field is home to the members of the Frog's Hollow Aero Club.

Frogs is the oldest airfield in the Bega Valley. It was constructed in 1937 by Adastra Airlines. A Waco, fitted out as an ambulance, was put in service from there. A year later, a DragonFly was introduced for a twice weekly service, which successfully became a daily service with passengers & airmail.

In late 1940, Butler Air transport took over, using a Fairey Gannet, with an average of 40 passengers per week as well as up to 200 dozen oysters. Merimbula airport opened in 1956, and Frogs became the back-up strip; Butler relocated to Merimbula and Frogs started to slide into history.

In the late eighties, The Frogs Hollow Fliers banded together on the strip. The land, now privately owned by a local farmer, houses the eleven aircraft - three GA, four RA-Aus, three Experimental and one gyrocopter.

The good ole days are now alive and well at Frogs Hollow.

It has over eighty members of the Frogs Hollow Fliers, with visitors just about every weekend, and regular Sunday meets with coffee and cake are the norm.

The clubhouse is bursting (both with cakes and members). The day I was there, the members were keen to show off their great little club.

I scored a flight in several aircraft and was taken on a brief but fascinating tour of the Bega Valley. I conducted a touch and go at nearby Buckajo then landed back at Frogs.

Ahhhhh, Frogs Hollow, you've made me want to pack my bags and move in.

Airstrip: is grass surfaced and has a north/ south 1,000m strip [18-36] and an east/ west 650m cross strip [10-28]. With an elevation of 280' AMSL the strip offers an alternative to Merimbula airport. Co-ordinates are 36° 46' South and 149° 48' East. A model plane club also uses the airfield.

>> Frogs Hollow Airfield taken in 1947. It shows a Butler Airways plane – a de Havilland Dragon Rapide. Above, Kreisha poses with the sign.

30 | Sport Pilot | JULY 2011

JULY 2011 | Sport Pilot | 31

3.5b Bega Valley's Oldest Airstrip

Frogs is the oldest airfield in the Bega Valley. There is some conjecture around the actual first flight at Frog's Hollow Aerodrome. Some articles say the aerial postal service began in 1932. Another states that it was 1939. While most records show that Adastra Airlines constructed the areas first aerodrome in 1937 "at Frog's Hollow" so they could operate in practically all weathers. A Waco, fitted out as an ambulance, was put in service from there. A year later, a DragonFly was introduced for a twice weekly service, which successfully became a daily service with passengers & airmail.

In late 1940, Butler Air transport took over, using a Fairey Gannet, with an average of 40 passengers per week as well as up to 200 dozen oysters. Merimbula airport opened in 1956, and Frogs became the back-up strip; Butler relocated to Merimbula and Frogs started to slide into history.

In the late eighties, The Frogs Hollow Fliers banded together on the strip. The land, currently privately owned by a local farmer, houses the eleven aircraft - three GA, four RA-Aus, three Experimental and one gyrocopter.

3.5c RAA Flight School Approval

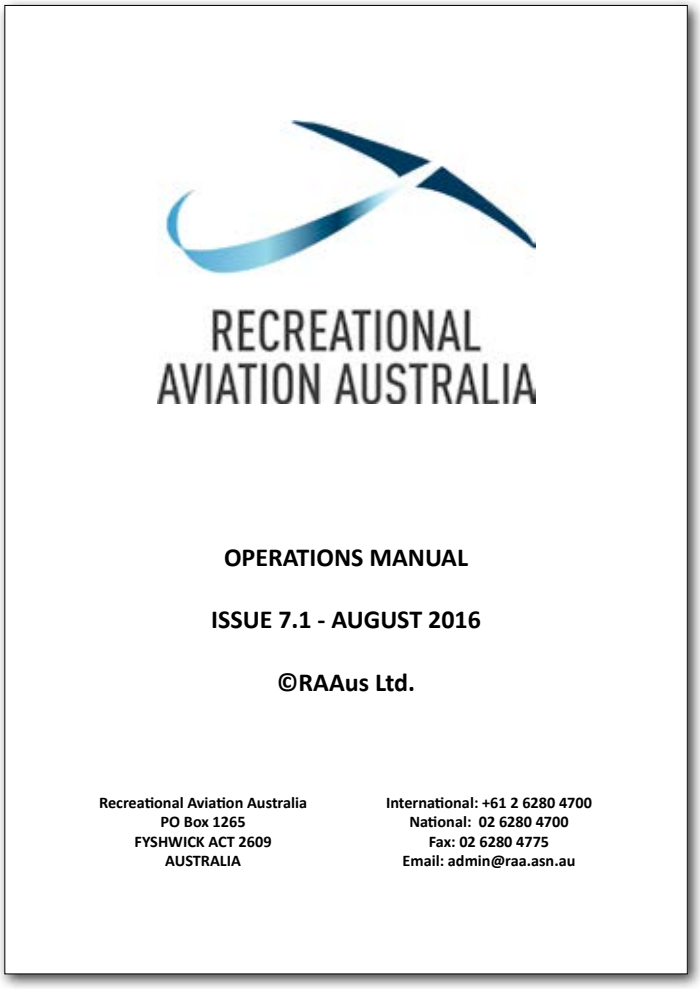
Any Recreational Aviation Australia (RAA) flight school is overseen by a qualified and experienced Chief Flying Instructor (CFI). The CFI's are often supported by Senior Instructors (SI) who are similarly skilled and able to provide with the highest standard of training.

To ensure a consistent and safe experience, each of RAA schools is subject to a vigorous audit and are overseen by senior staff within Recreational Aviation Australia. The schools operate a variety of aircraft, which are also required to undergo a rigourous maintenance program to ensure reliability and safety for all RAA members.

RAA Flight School Application Process

The application process to become a registered RAA flight school is a straight forward process that checks that the required facilities are in place and that the systems and correct staff are employed to train students. This is all outlined in detail on pages 118 - 123 of the "RAA Operations Manual".

Both on-site interviews of instructors and the inspection of facilities are conducted by the RAA to ensure that the School adheres to the strict guideline outlined in the RAA Operations Manual before the application is granted.


RECREATIONAL
AVIATION AUSTRALIA

OPERATIONS MANUAL

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3.6 The Aircraft

The flight college will be using three different aircraft for training purposes during each student's stay at the college.

BANTAM

TRIKE

BRUMBY

The aircraft that will be used predominantly throughout the flight training will be the "Bantam". This plane is a good all-rounder and is manufactured by a NZ company called MicroAviation (see partners). SAA has negotiated exclusively this aircraft for flight college training and post-study sales into China. The aircraft will be assembled at the flight college's aircraft assembly facility.

A trike is a very popular weight-shift aircraft. Weight-shift control as a means of aircraft flight control is widely used in hang gliders, powered hang gliders, and ultralight trikes. Control is usually by the pilot using his or her weight against a triangular control bar that is rigidly attached to the wing structure. The students will receive an introductory course on this style of aircraft which is manufactured in Newcastle NSW.

The Brumby is a more traditional general aviation type of aircraft with more sophisticated flight systems. This aircraft can be registered in either the recreational or VH-general aviation categories. The flight college will use this aircraft for RPL training. The aircraft is manufactured in Cowra NSW.

3.6a Safety Systems

Flying is considered one of the safest modes of transport today and Recreational Aviation is no exception.

At the moment, The RAA have over 3,500 registered ultralight and Light Sport Aircraft, over 10,000 members and 174 qualified Flight Training Schools across Australia. RAA members collectively perform over 350,000 landings and spend approximately 200,000 hours in the air annually in flights all over Australia.

Recreational Aviation Australia Framework

Recreational Aviation Australia (RAA) is constantly working towards improving safety outcomes through a holistic approach to safety management and the adopting of an open and fair reporting culture.

RAA Training and Instructors

All RAA instructors follow operational and technical guidelines to a high standard, and they are subject to regular reviews and retesting. In addition to this, RAA Flight Training Schools also undergo inspections as a part of our assurance to safety. As an organisation the RAA are also observed by the Civil Aviation Safety Authority (CASA) who ensure that the RAA administrative, operational and technical protocols are consistent, fair and effective.

RAA Aircraft Risk Management

RAA has implemented a Safety Management System which reviews risks in key areas such as the operations and airworthiness of aircraft. Once these risks are identified they can be developed into the information needed to use as a basis for developing emergency response plans and emergency preparedness.

RAA Safety Culture

The RAA has safety as one of its core corporate values and works together with prominent industry participants to foster and develop a safety culture throughout aviation in Australia. The RAA has close relationships with the Australian Transport Safety Bureau, Australian Maritime Safety Authority (Search and Rescue coordination centre) and The Civil Aviation Safety Authority.

Aircraft Safety Systems

The SAA aircraft will have state of the art safety equipment installed in every aircraft to maximise ongoing safety, some of this equipment includes:

- Ballistic parachutes, which provide aircraft the ability to deploy a safety parachute in emergency situations.
- Two-way communication devices which facilitate an effective means of communication in a distressing situation.
- Beacons, which indicate to authorities the location of the aircraft to facilitate search and rescue efforts.

https://www.raa.asn.au/safety/faqs/

3.7 The Cultural Experience

Seven recreational cultural fun days will be organised within the 12 week syllabus. These fun days will have a strong focus on Australian culture, nature and wildlife. It will be a great opportunity for the students to engage with the local community and experience a lot of the traditional Australian lifestyle.

3.8 The Digital Experience

A Go-pro style camera will be installed on each aircraft to capture the student's experience to show friends, family and evaluate the training. Similarly, on activity days, the squadron leader will photograph the day and post the photos up on the SAA College blog.

At the end of the student's course, they will be given a complimentary video of their experience in Australia to take home with them.

Each student will also be given an ipad at the start of their course. This ipad will be preloaded with specific software for their theory classes and a navigation app for when they are in the air.

4.0 SAA Structure

KANGAROO SQUADRON™

KOALA SQUADRON™

WOMBAT SQUADRON™

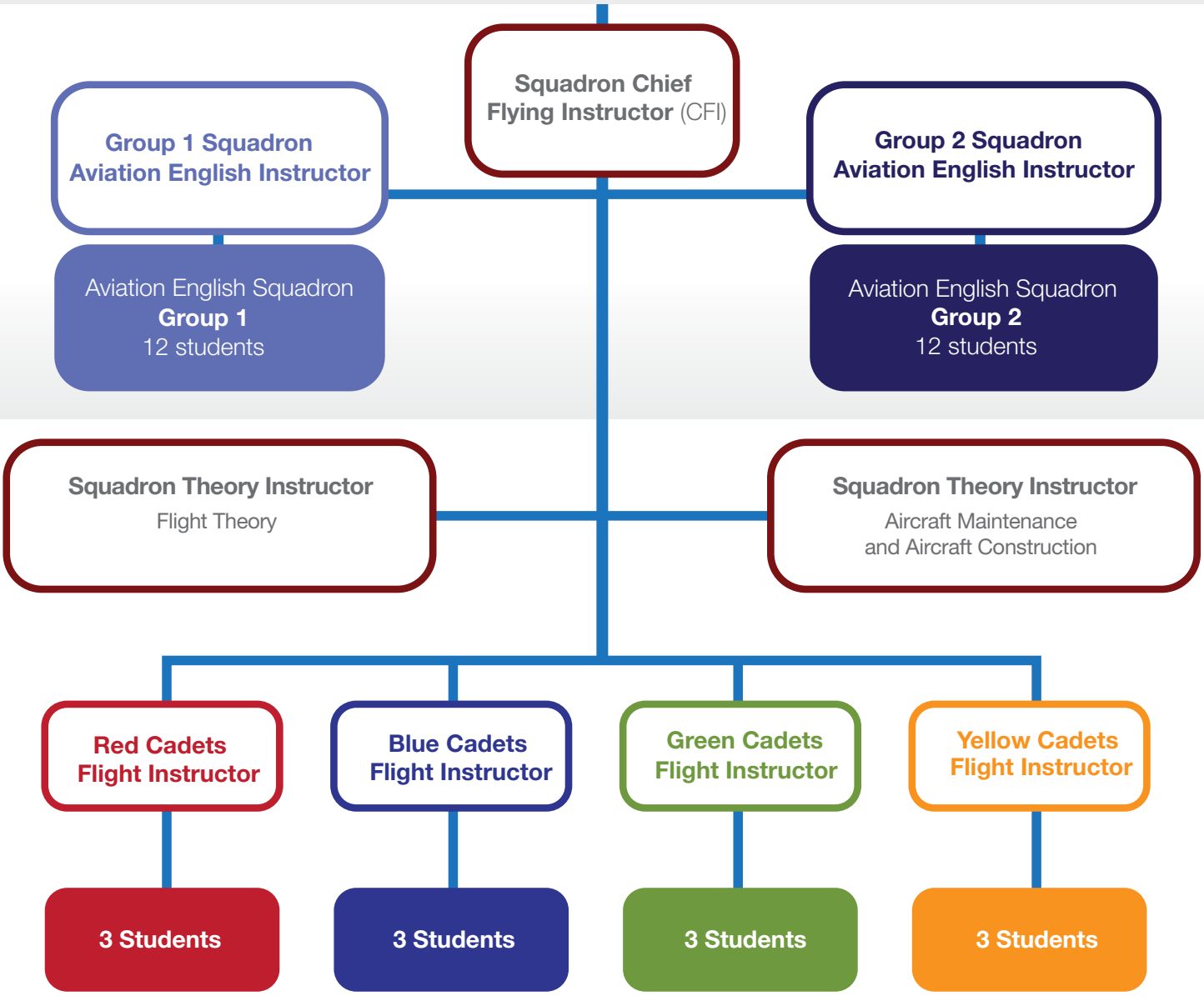
PLATYPUS SQUADRON™

4.1 Squadrons

Both the course structure and the expansion plan of the school work on the principles of 'squadrons'.

From day one, each student will be assigned to their squadron. Each squadron will be made up of 36 students. These students will progress through the course in groups of twelve and interact with the other squadrons through social activities and competitions.

All of the infrastructure and resources are also planned around each squadron. This means that the school is easily scalable based on the number of squadrons that are added.



4.1a Squadron Teaching Structure

The teaching element of each squadron comprises of **nine staff and thirty-six students** (twelve in English Group 1, twelve in English Group 2 and 12 in Theory and Flight Training). In addition to this there are a total of **ten support staff** required; two chefs, six squadron leaders and two squadron assistants. These ten support staff rotate on a four day on, four day off roster to cope with the 7-day needs of the flight college.

Facility Resources

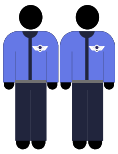
1 x Squadron

36 Students
(3 x groups of 12)

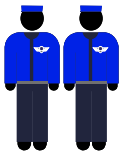
=

1x Chief Flight Instructor

2x Aviation English Instructors

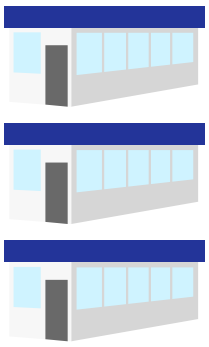


2x Flight Theory Instructor

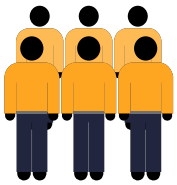


4x Flight Instructors

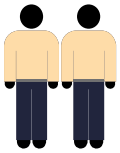
3x Teaching blocks



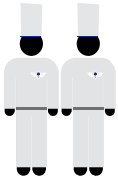
6x Squadron Leaders



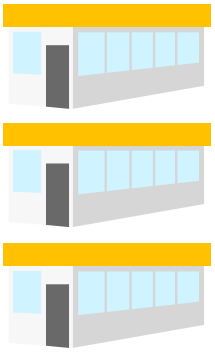
2x Squadron Assistants



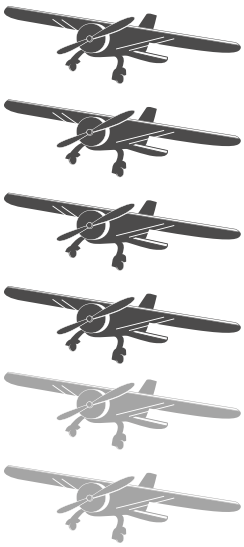
2x Chefs



3x Accommodation blocks



6x Aircraft
(4 active in training)



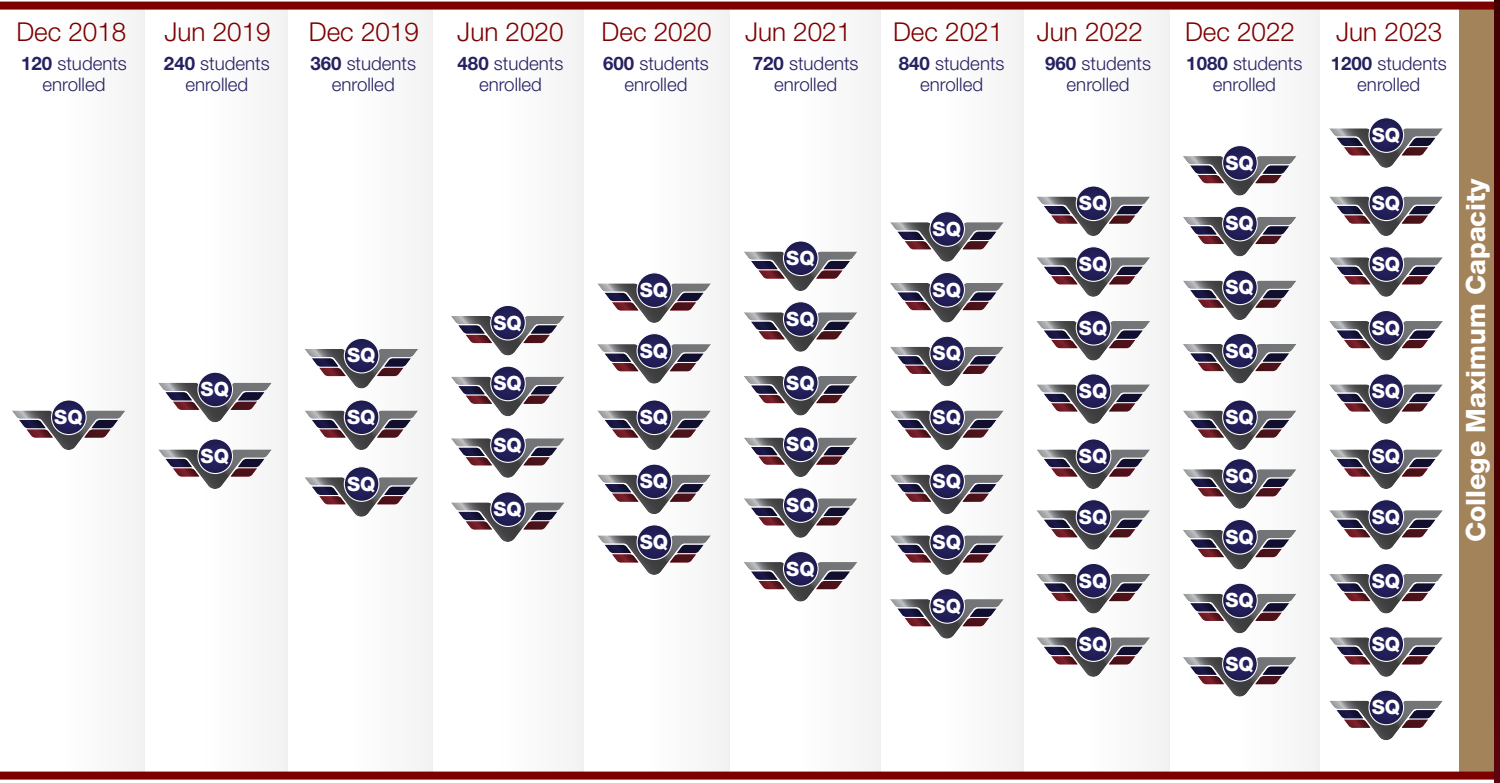
4.1b Squadron-based scalability

The entire flight college and its expansion plan has been built upon “modular infrastructure” that is directly linked to the number of squadrons at the college. Each squadron comprises of thirty-six students (shown on page 27). Each of the following resources are all based on the number of squadrons at the college.

- The accommodation and teaching facilities are built in modules that cater for twelve students.
- The staffing requirements of the entire college are based on a per squadron basis.
- The aircraft and maintenance resources are allocated on a per squadron basis.
- The capacity of the flight school and therefore the number of procured student places available are set by the number of squadrons at the college

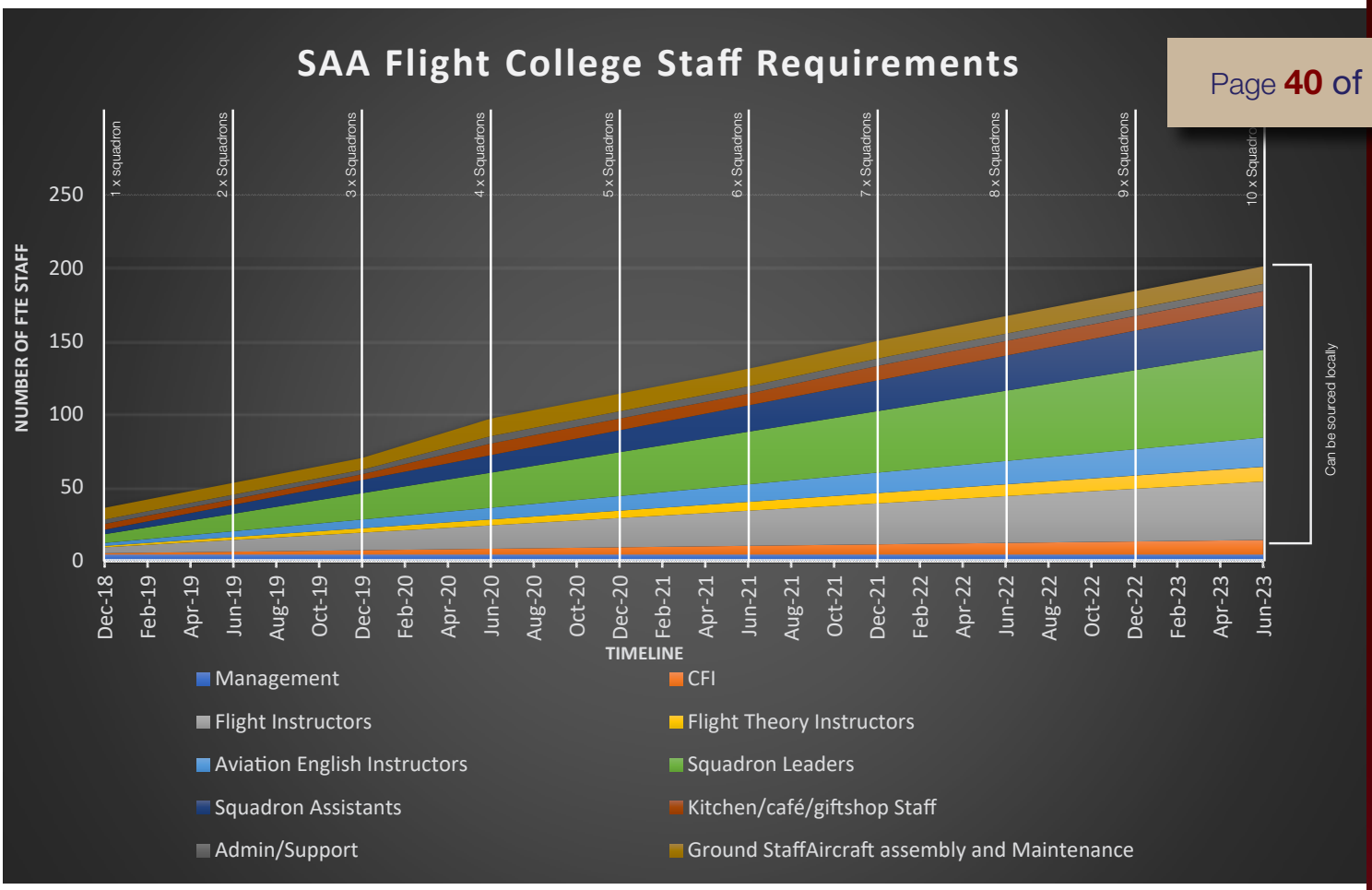
This modular resource allocation business model gives the college an incredibly straight-forward vehicle for scalability.

4.2 Growth Timeline



1 x Squadron

- 12 students graduating per month (for ten months of the year)
- **120 students graduating per year**



4.2a Flight College Staff Requirements

The graph above illustrates the Flight college's staff requirements. Once the college is complete with ten squadrons, the college will have over 200 FTE employees. The break up of these employees is shown above, relative to the roll-out of squadrons. Of the 200 employees, there is a large component (shown to the right of the graph) that can be sourced from the local community.

It should also be noted that the college will have flow on effects to businesses in the area from the increase in local jobs, the added tourism generated by the college and the recreational days that are part of the student's package.

4.2b Direct Employment Growth

As previously shown in the graph above, the Flight College will initially employ over 40 people and grow at a rate of approximately 36 employees a year to over 200 people once completed.

Of these jobs, SAA will focus on employing locals for the majority of these positions (approx 170 jobs). A number of these jobs will be skilled positions that will command an attractive salary package well above the regional average of $38.8K (ABS 2013).

70 Jobs

In first year of the College teaching students

36 Jobs / Year

For 4 years of growth

200+ Jobs

Upon Completion of the College

5.0 Regional Economic Benefits

SAA is an Australian company that will not only benefit the region, but a company that is committed to adding value to the local community of the flight college. Some of these economic benefits are discussed below.

5.1 Economic Impact on Businesses in the Region

The flight college will add to the local economy through the use of local businesses on three main fronts:

1. Infrastructure

All of the infrastructure that needs to be built at the site (see page 29) will be contracted by local construction businesses. The core of the building materials will also be sourced locally, along with the internal fit-out of the buildings. Kitchen facilities and the engineering workshop will require specialist equipment, which the college will endeavor to source from local suppliers.

The completion of the building of these facilities will also have flow on effects, requiring local companies for ongoing cleaning and maintenance.

2. Staff

The direct employment of staff by the college will have flow on spending effects on local businesses. The flow-on expenditure will be wide ranging and range from food vendors, to accommodation, to petrol and recreational expenses. Upon completion of the flight college, there will be in excess of 200 staff directly employed by the college.

3. Students

Once fully completed, the number of students at the college will be 1200 per year. While the student fees are inclusive of all meals, accommodation and travel to and from the college, SAA will need to source all of the meals and consumables for the students locally. Each student will be flying in and out of Merimbula airport, both increasing business for regional airlines and providing taxable fares for the local airport.

The recommendations of ex students to friends and families will also be a constant endorsement for the region as a tourism destination.

SAA will constantly be making an effort to benefit the local community wherever possible. Below are some of the initiatives that SAA has planned.

Scholarships

SAA will provide annual scholarships to local high school graduates to become recreational flight instructors. These scholarships will be on a merit based system, with the flight training taking place at the flight college.

Cultural Days

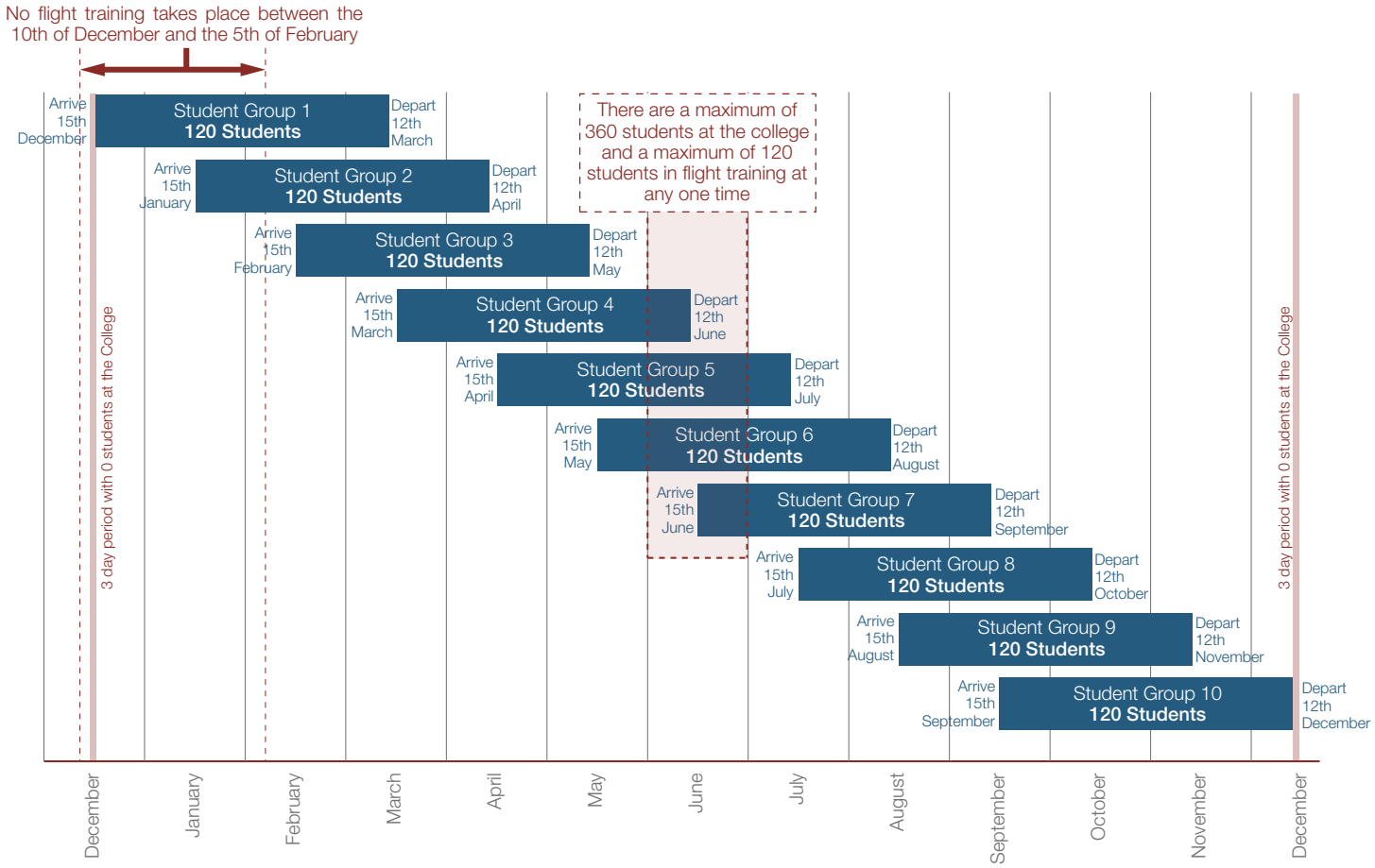
SAA will take the students on seven cultural days where the students experience some form of Australian culture. Local wildlife parks such as Potaroo Palace or other attractions such as the Merimbula aquarium or the 'On the perch' Avarie will be common destinations.

Indigenous Employment

SAA will be making every effort to engage with the local indigenous community to provide employment opportunities wherever possible.

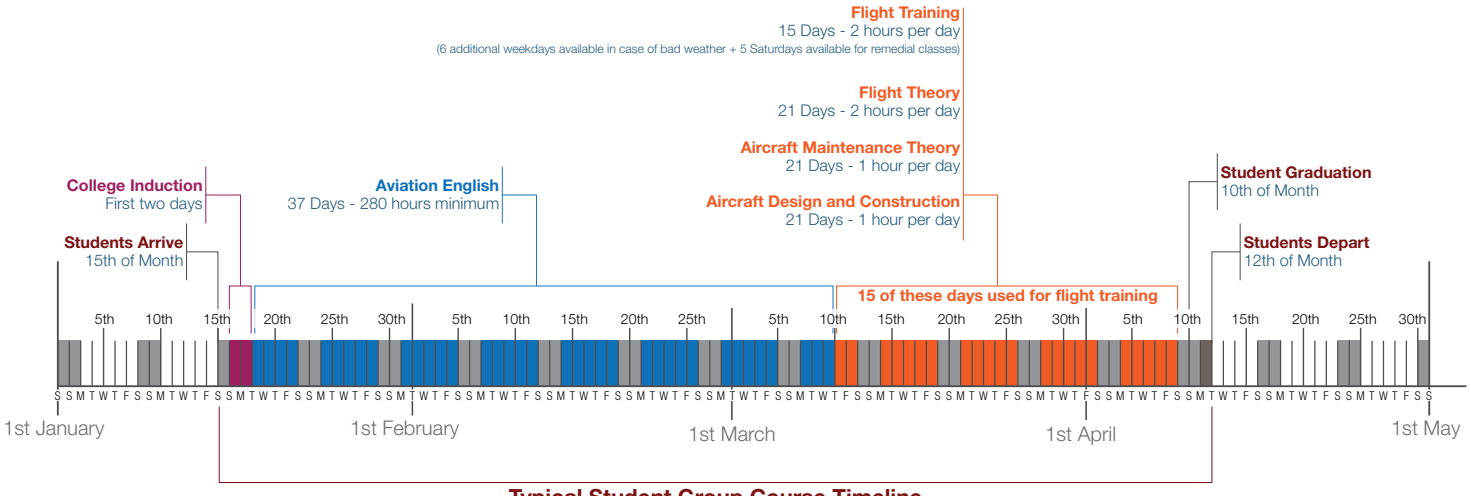
6.1 Student Enrollment and Graduation Timeline

(once fully operational - June 2023)



6.2 Student Course Structure (per student group)

The example below shows "Student Group 2" nominally in the year 2022. Each student group structure is identical in it's content, with the only variances around weekends and public holidays. Each Student group arrives on the 15th of the respective month and departs three months later on the 12th of the month.



Typical Student Group Course Timeline

Each student group consists of 120 students

- **Weekends shown in grey** (no teaching Sundays)
- During Flight Training Period, Saturday will be used for remedial flight training and remdeial theory

6.3 Squadron Daily Schedule (per student group)

Each Squadron of twelve students have their daily lessons split up into three sessions. Each of these sessions run for 2 hours each with breaks in between.
The students are divided into three 'classes' of four students each, see below for an example of a daily lesson schedule.

Squadron Daily Schedule
(Example shown as Kangaroo Squadron)

Classes

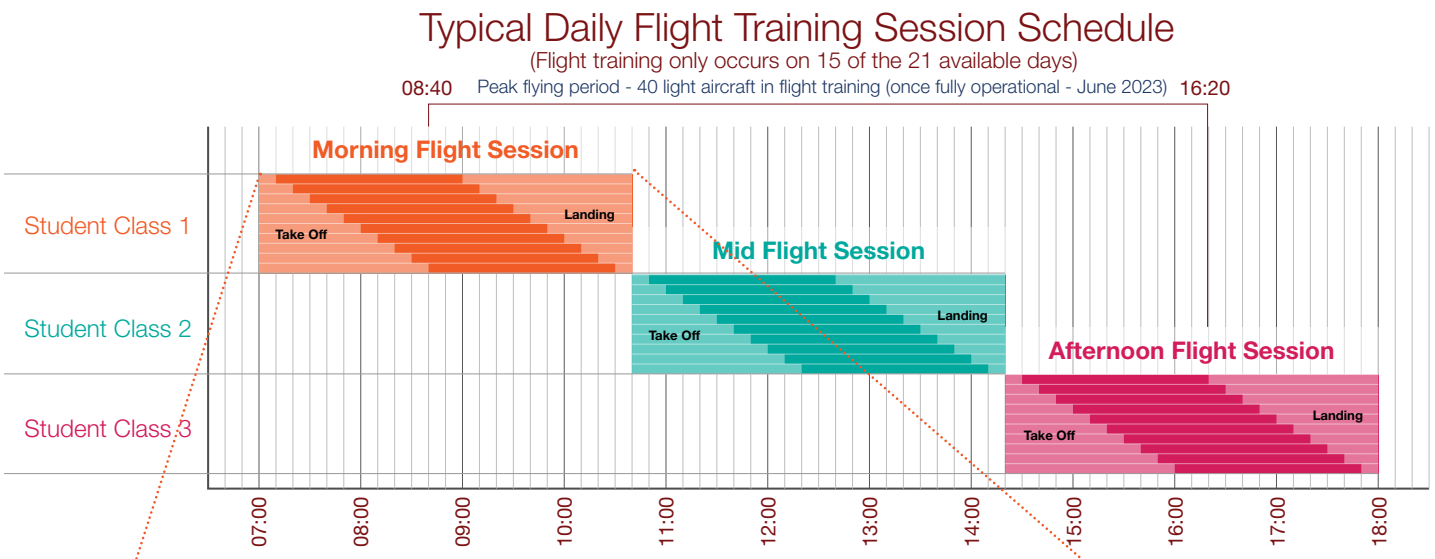
Flight Training	Theory 1	Theory 2
4 x students per flight session 4 x aircraft + 4 x flight instructors **Red Cadets** (1 x student) **Blue Cadets** (1 x student) **Green Cadets** (1 x student) **Yellow Cadets** (1 x student)	**4 x students** 1 x theory instructor **FLIGHT THEORY** **x2 hours**	**4 x students** 1 x theory instructor **AIRCRAFT MAINTENANCE THEORY** x1 hour **AIRCRAFT CONSTRUCTION THEORY** x1 hour

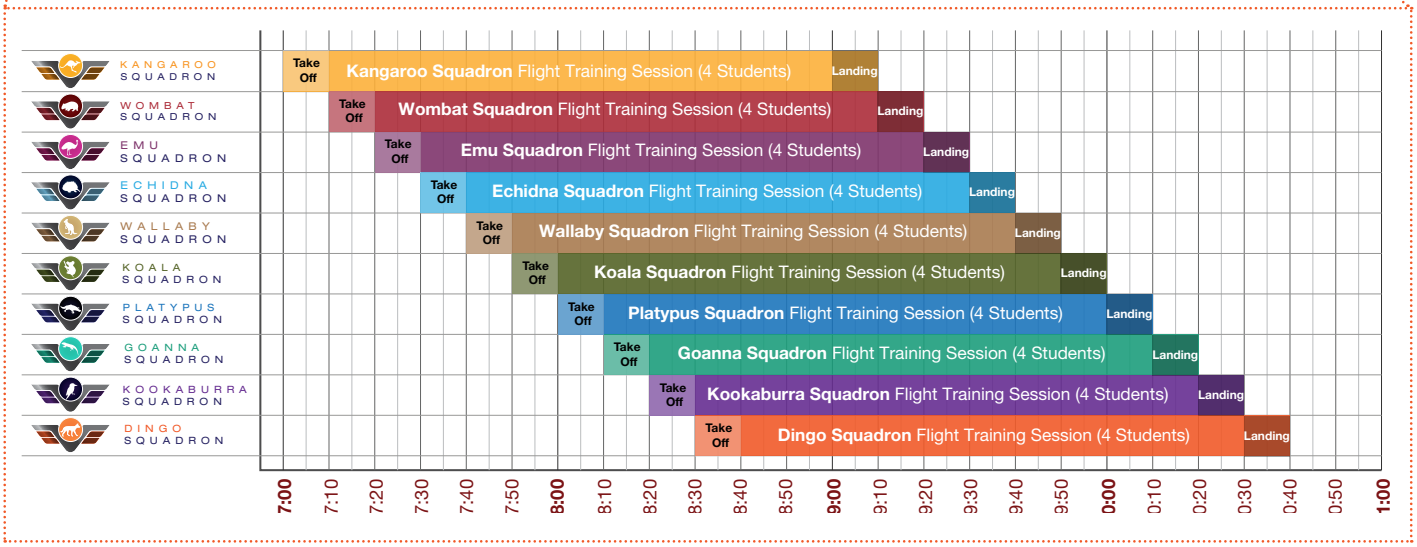
Schedule

	Student Class 1 4 students	Student Class 2 4 students	Student Class 3 4 students
Morning Session 2 hours	Flight Training	Theory 1	Theory 2
Mid Session 2 hours	Theory 2	Flight Training	Theory 1
Afternoon Session 2 hours	Theory 1	Theory 2	Flight Training

6.4 Daily Flight Training Schedule (15 Days per month)

Below is a graph showing a daily flight training schedule when the college is fully operational (June 2023). Each Day is broken down into three sessions, which run straight after each other.





Each of these Sessions are further broken into their respective Squadron 'class', which is allocated ten minutes on the runway for take-off and ten minutes on the runway for landing.

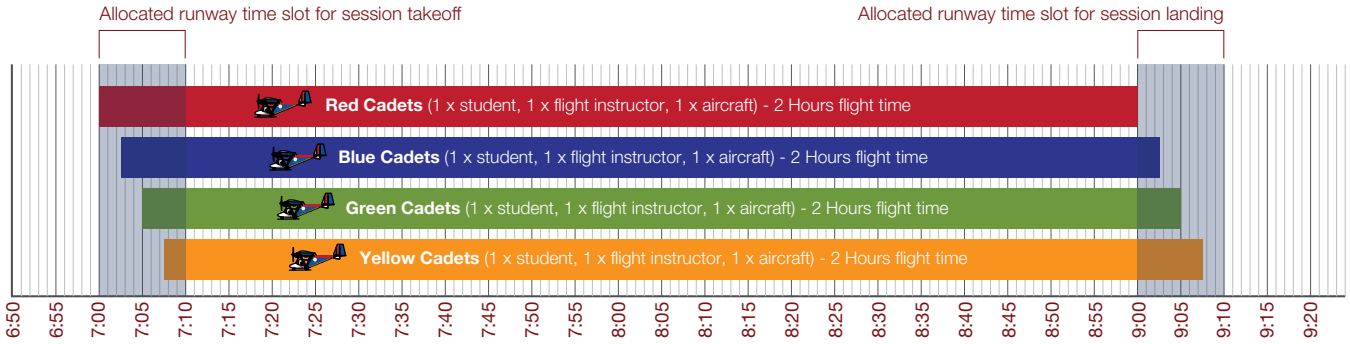
Each ‘Squadron Class’ comprises of 4 students, which are each taught by a flight instructor in an aircraft. An example of a typical squadron flight training schedule has been shown below.

KANGAROO SQUADRON

Typical Squadron Flight Training Session

(Example shown as Kangaroo Squadron)

(Flight training only occurs on 15 of the 21 available days)



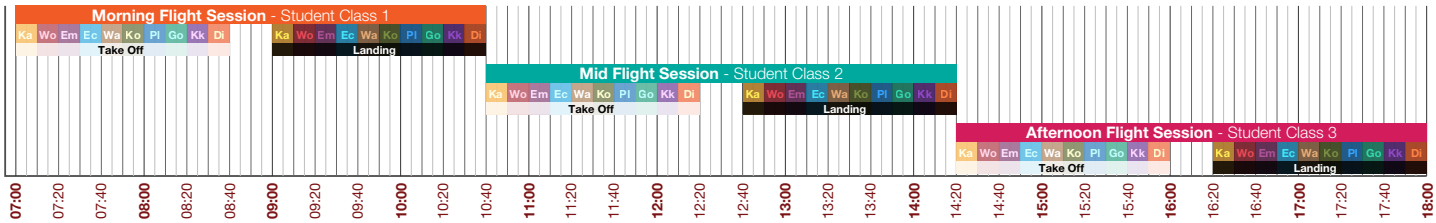
6.5 Daily Flight Training Runway Allocation

(15 Days per month)

Below is a graph illustrating the ten minute allocations of the runway for each squadron class throughout a flight training day.

Daily Flight Training Session Schedule **Runway Allocation**

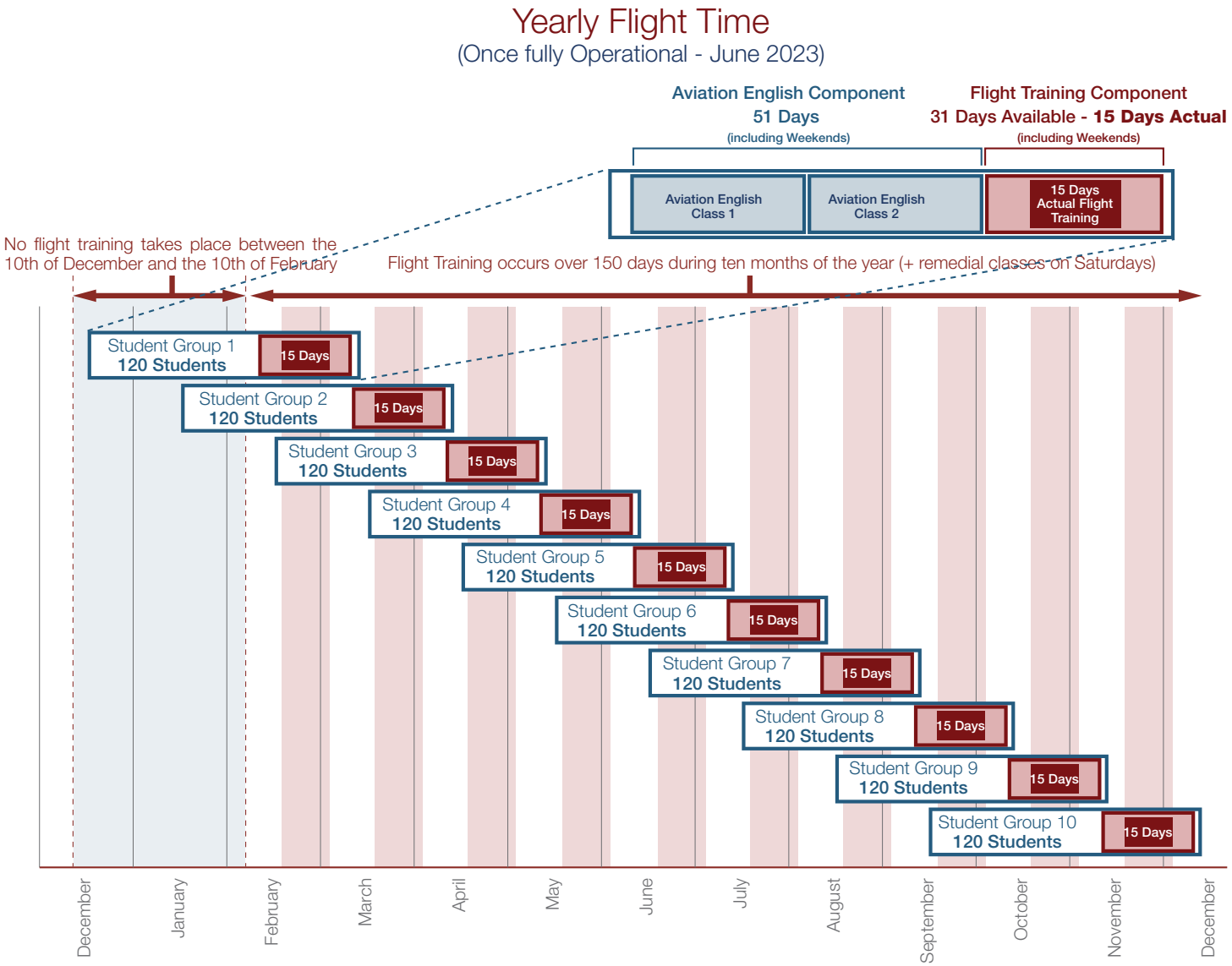
(Flight training only occurs on 15 of the 21 available days)



SPORTS AVIATION FLIGHT COLLEGE AUSTRALIA

6.6 Yearly Flight Training Schedule (150 Days per year)

Each year there is flight training 10 months of the year. Within each month, there are 15 days of flight training that takes place (the actual dates vary based on weather conditions). This is shown in more detail below.



6.7 Flight Training Area

25 Nautical Mile radius around Frogs Hollow.

Mitchell Boyle

CEO

Mitchell Boyle will be actively involved in both the promotion of the College in China and overseeing the flight training at the College.

Mitchell has had a passion for aviation for over a decade. He started RAA flight training at just the age of 11. He flew solo on his 15th birthday (earliest legal age). He had this full recreational pilots certificate weeks later . In 2008 when Mitch was 16 years of age he participated in a flying event where he became the youngest pilot to solo circumnavigate mainland Australia, to this date, he still holds this record.

Mitchell has his Commercial Pilots Licence, with both the multi engine rating and the Instructor rating and has a Diploma in Aviation. This qualification is above and beyond what is required to teach recreational aviation.

Mitchell will be actively involved in the rollout of the College facilities, systems and employment of staff. Once the college is up and running, his roles will be to ensure the RAA pilot culture of enjoyment for recreational aviation is delivered and to act as a brand ambassador for the squadron companies in generating student intake in China.

www.mitchboyle.com.au

Merimbula NEWS WEEKLY

MERIMBULA PAMBULA TURA

WEDNESDAY JUNE 4, 2008

WEATHER TALK

Let's jazz

High-flying Mitch sets new Oz record

Welcome home

Certificate of Recognition

Fly Away to Heaven National Fly-a-thon
1 May – 2 June 2008