

MAAA and Alternative Organisation

During the last week of May 2012 an alternate organisation to the MAAA and MASNSW, the Australian Miniature Aerosports Association (AMAS), started promotion on various web sites and forums.

At the time of writing a specific forum discussion site (on RCGROUPS) would have to be the most viewed site that I have ever seen within Australia, as of 11 June there have been 620 replies, and more than 17000 viewings.

There is lots of information but there is also an enormous amount of misinformation.

The main point that is correct is that you and your club are the people that need to make decisions for what you want out of flying model aircraft. These decisions will ultimately lead you to the organisation(s) that best meets your needs. We are after all in this sport/pastime to fly model aircraft with a minimum of fuss and a maximum of enjoyment.

I will attempt to provide correct information on what is in place with MAAA/MASNSW as far as insurance is involved and the background to the relative Manuals of Procedures etc. and MAAA/MASNSW position on certain issues.

An information session for members was presented at the June Monthly Business meeting of MASNSW and I will include answers to questions asked at that meeting. This document is not intended to be an 'attack' on any alternate organisation but to provide facts on some of the issues being discussed.

We are approaching the renewal time for MAAA membership and it is hoped that the provided information is of assistance to Club Executives and Club members to help them make decisions. If you require information on alternate organisations and what they can provide then I can only suggest that you ask them.

INSURANCE QUESTIONS

The following is an attempt to explain some of the issues around insurance.

Many members are unaware of exactly what you are provided with under the MAAA Insurance that is included with your membership. There are actually four policies and they are:

- Sports Injury and Personal Accident
- Public & Products Liability/Professional Indemnity
- Association Liability
- Corporate Travel

I have included a separate file with the details of these policies and the amount of coverage, the premiums involved, and all details required.

(Note: all of this information was presented at the 2012 MAAA Annual Council Conference on the 19-20th May, and is available in the papers presented at that conference. I believe that this information and more will be available on a web page from our insurer shortly).

The MAAA, as can be seen from the above, does not only arrange for insurance for individual members and potential liabilities caused by acts of those members whilst flying, It also provides for a comprehensive range of insurance policies that cover the range of activities of the MAAA, its Executives as they go about fulfilling their duties, the various State Associations and ultimately the Club Committees and Club members.

Letter of Confirmation

The Insurance Letter of Confirmation for the Public & Products Liability/Professional Indemnity Policy is available on the MAAA Web site (<http://www.maaa.asn.au/>). This policy and all others are in effect from the 31st May 2012 until 31st May 2013.

The Letter of Confirmation for the Public & Products Liability/Professional Indemnity Policy is the only one published as it is required by many parties, especially landlords and other organisations that need proof of insurance for lease arrangements.

You will note that many Councils and other organisations are listed directly on the Letter of Confirmation. These are not actually required as the policy is Australia wide; however, if the particular Council or organisation requires to be specifically listed MAAA has their name included.

Park Flyers

Much discussion has been had recently around the issue of insurance for 'park flyers' and the MAAAs perceived lack of unwillingness to cater for this section of the hobby.

The MAAA Executive has provided at Council full details of a program being run in the United States by the AMA. The AMA believes that this program has been a failure and if it was not for the inclusion of a magazine subscription it would not be supported.

With this information to hand the MAAA has together with the Aeromodellers of Western Australia (AWA) worked on developing a Pilot Program to meet the needs of Park Fliers to obtain the use of Council parks and fields. This program is facing some challenges as the Councils in Western Australia need to change some of their Council Ordinances. This is taking longer than expected.

There are Park Flyers joining both MASNSW and MAAQ and we will continue to work to include these modellers and provide the resources of MAAA with Local Government Organisations.

I want to emphasise that many Park Flyers do not want to join MAAA as they believe the costs are too dear. But they are happy to sit on the outside and complain. We need your numbers and the more Park Flyers that affiliate the more involved MAAA will be.

Park Flyers, (even if not members of MAAA), and all other members need to be aware that even with Insurance coverage you must have permission of the owner of the land to operate model aircraft for the insurance to be valid. This includes all Council Parks.

Policy Excess

There has also been much discussion that the excess on the MAAA policies is excessive.

In an effort to reduce the cost of Insurance MAAA has over the years decided that it will have an excess of \$5000-00 for any claim. These decisions are similar to the ones taken by any members when arranging their own personal insurance, lower excess typically means higher premiums and vice versa, it is a balancing act which attempts to cater for the best value for money and members ability/willingness to pay.

The important point to note is that the ACTUAL amount to be paid by any member making a claim is only \$500-00 .

This amount is reviewed each year at the Annual Council Conference. The remainder of the excess is borne by MAAA from another fund (Insurance Premium Fund) that has been built up over the years. This has been done to reduce the burden on any one member should a claim be made.

MAAA Council also reviews annually all claims and if a member or club is deemed to be making too many claims for the same occurrence, this subsidy may be removed. It is considered prudent for the MAAA to do this as it is directly subsidising from members funds the difference between the insurance policy excess and what the MAAA has indicated a member is liable for as per the above.

The above decisions on insurance excess and members potential liability are made at the Annual Conference and resolved by the participation of all 10 State Associations It cannot be changed at the whim of any organisation other than the complete MAAA Council and after a due process is observed.

Association Liability Policy

All members of MAAA Executive, and Committees, as well as all Club Executives, Instructors etc. (with the exception of the MAAA Federal Secretary) are volunteers and at all times make decisions in the best interests of their members.

However, there are times when these decisions may be questioned and legal processes threatened or actually eventuate.

MAAA feel it is appropriate that there is a policy to protect these people who make decisions in good faith on behalf of the membership and limit their personal liability. In today's environment this is considered normal and appropriate.

Travel Policy

MAAA helps fund overseas travel for individual members that are representing Australia, this is at conferences as well as World and Regional Championships. This insurance is available to protect those individuals should the situation arise that you need to claim for loss or damage when involved in these trips to represent MAAA and Australia.

Cost of Insurance

How much does my insurance actually cost? This is one of the most asked questions.

Due to the MAAA policies covering a membership base of 10,000 modellers across Australia, MAAA has been able to negotiate premiums that for the 2012/13 membership year will cost a total of

approx. \$90,000-00 including GST (note the cost was actually slightly lower due to further negotiation prior to actual payment). This means that it actually costs each member \$9-00 for the direct insurance plus your contribution into the Insurance Premium Fund (this is the fund the MAAA uses to pay the excess of \$4500-00 for each claim). This is built up from excess funds at the end of each year and decided by the Council. The costs involved in these Insurance Policies are minimised by the MAAA having a large number of people under the one umbrella. A smaller number of members will mean higher Insurance costs. (The remainder of your MAAA fees are used to run an organisation for 10,000 members across Australia and I talk more about this later).

MANUALS OF PROCEDURE (MOPs)

In Australia, clubs of like-minded enthusiasts were forming during the 1930's the first association of clubs, the Model Aeroplane Association of Australia, began when New South Wales and South Australian clubs formed an alliance in 1933. Since then, the association's name has changed to the **Model Aeronautical Association of Australia Inc. (MAAA)** and all other States and Territories have joined.

Over the years the administration of the MAAA has evolved and together with the State Associations, it has developed a set of procedures, rules and forms. These are intended to assist not only associations and clubs/members but also act as reference for external organisations such as CASA and insurers which form a part of their assessment of how well the hobby 'self regulates' in effect.

These rules and procedures are now called our Manuals of Procedures (MOPs). The MOP's are our interpretations of what our regulations should be, they are our rules.

They are "*live*" documents and are under continual review. The review process is not any one person making decisions and amending the MOPs, but a formal administrative process that is undertaken by the MAAA Executive and the Council.

At the recent MAAA Council Conference all changes to the MOPs and forms for the past twelve months were ratified to ensure that they still meet the requirements of all member associations.

A misconception that continually appears is that the MAAA MOPs are the 'law of the land'. This is not correct. They are procedures by the MAAA for the MAAA and its membership and are controlled by the MAAA, not by the elected representatives of parliament !

MOP 57 Insurance Conditions

The current M.A.A.A. Insurance Policies provide coverage to all classes of M.A.A.A. members. As the policies are in the M.A.A.A. name it can and does impose conditions for the policies to apply. This document identifies the conditions the M.A.A.A. chooses to impose on all classes of its Members for its policies to apply.

This MOP has been in effect since it was last reviewed in August 2007.

MAAA has not received an application from any state association to review or change the requirements of this MOP.

If there is a resolution to change the MOP it must be submitted by an association, not an individual or group of individuals and such a resolution must follow the normal process of assessment by State Associations and MAAA Council, amendment and review as with any other of the MAAA's MOPs. In this case it will be reasonable to expect that it will also require liaison and feedback from the insurers as it may have impacts on their risk assessment of the MAAA and therefore the extent of policy coverage and premiums.

Even if such a request from an association had been received it would not be reasonable to expect the MAAA or the insurers to undertake such a process in a few short weeks leading up to the clubs AGMs and outside of the normal MAAA process. Therefore, in the short term and until such a process is commenced and resolved the MAAA MOP 57 is the guiding document for clubs.

Another theme that is emerging is the implication that MOP 57 was intentionally set up with a view for the MAAA to protect its interests and position by creating a barrier, as it were, for competing organisations to operate. This is allegedly achieved by preventing side by side flying by flyers with different insurance providers. It is being argued that this is in contravention of the ACCC /Trade Practices Act and that clubs, and even members, enforcing MOP57 may be liable at law for such restrictions.

Whether or not the MOP 57 contravenes the ACCC is a subject for conjecture at this point and MAAA is seeking the appropriate advice. What is important is that MOP 57 was not set up to knowingly contravene the TPA or with that intent as has been implied.

The MAAA is awaiting further guidance on this issue and it seems unfortunate that members funds are being required to be used for such a reason.

MOP 57 (Actual Wording)

3.5 Flying with Non Affiliate Members

The M.A.A.A. Third Party and Directors and Officers Insurance cannot be used to underwrite insurance cover, for example where local authorities require proof of insurance for hire of facilities, if non affiliated members of the M.A.A.A. will be flying at the facility unless the non affiliated members are covered by the M.A.A.A. Visitor Policy. See MOP042 – Policy for Visitor Insurance at Flying Fields in the M.A.A.A. MoP.

Clubs shall not allow non M.A.A.A. affiliated members to fly at their fields unless the non affiliated members are covered by the M.A.A.A. Visitor Policy.

The M.A.A.A. individual third party insurance cover is not extended to Affiliate Members flying at organised events and sites with non affiliated members of the M.A.A.A. unless the non affiliated members are covered by the M.A.A.A. Policy for Visitor Insurance at Flying Fields in the M.A.A.A. MoP.

STATEMENT FROM MAAA COUNCIL

The following is a copy of the recently released statement from the MAAA Council ;

MAAA would like to thank members who contribute by providing services for training and proficiency testing to maintaining and investing in our infrastructure. Due to questions after the recent formation of another association, MAAA needs to clarify the position to our membership with regard

to other associations and their members. We are all proud of the entitlements which come with our MAAA membership:

1. Entitlement to use any of the MAAA materials and programs. The wings and flight instruction system, the inspector and permit to fly system and the MAAA MOPs. These are not part of CASA or any public domain material or system, the copyright is owned by MAAA.
2. Entitlement to insurance cover provided by the MAAA and therefore the use of any sites where MAAA provides the insurance.
3. Entitlement to participate in any, rallies State, National or International competitions, and all other events sanctioned by MAAA

MAAA will vigorously defend its intellectual property rights. It needs to be clear that non MAAA members will not be able to fly at MAAA sites and MAAA Club fields utilising MAAA insurance whether or not they have other insurance cover. There are safety and legal implications if this were to be allowed. MAAA is committed to providing the best system to develop and foster Aeromodelling throughout Australia. The great strength of our association is the friendship and selfless contribution by our membership to further the cause. It is through these services and the judicious use of funds that we have, that allow us to continue to meet the needs of members, and are able to plan for the long term future of Aeromodelling in Australia

WHAT ELSE DOES MAAA AND MASNSW GIVE ME FOR MY MONEY?

MASNSW fees for 2012/13 are \$45-00 with email newsletter (seniors) and MAAA is \$60-00 (seniors), for a total of \$105-00. This is about \$2-00 per week to provide for insurance and administration. Your Insurance component of your funds is approx. \$9-00 as stated above.

At the MASNSW level the complete audited accounts of MASNSW were provided at the AGM in May and published in the newsletter. A reduction in fees was passed due to finalising payment for the State Field at Cootamundra.

MAAA budgets and expenditure are provided to all State Associations and the Council Conference. We do not normally publish these numbers; however they are available to clubs if requested.

An association representing 10,000 members through 10 associations has costs that need to be borne by the membership. The Federal Secretary is the only employee of the association, all other positions are voluntary and are not remunerated for their efforts.

In addition to the insurance coverage discussed above, the services that MAAA provides for its members are :

- 1) Representation at Federal Level with the Australian Communications Management Agency (ACMA) – This is how you obtain the frequencies for the operation of Radio Controlled Aircraft.
- 2) Representation at Federal Level with the Civil Aviation Safety Authority who ultimately provide the laws for Air Space use in Australia
- 3) Representation at Federal Level with the Australian Sports Aviation Council (ASAC).

- 4) Representation at the Federation Aeronautique International (FAI) which manages competitive aeromodelling at World and Regional Championships.
- 5) A central voice to represent the voice of the individual aeromodeller to representative organisations throughout Australia.
- 6) A structure to self-regulate the hobby that is transparent to the membership and a process for managing changes to that structure. This structure includes instructor and proficiency ratings, inspector/inspections schemes, MOPs etc.
- 7) Assistance for international competitors representing our country.
- 8) Loans schemes to assist with the purchase of flying fields

The MAAA is about much more than just insurance coverage.

CIVIL AVIATION SAFETY AUTHORITY (CASA)

As noted above a key function of the MAAA is liaison with CASA.

CASA regulations are Australian Federal Laws and cover the use of all airspace within Australia.

CASA recognises the MAAA as an Approved Aviation Administration Organisation to administer and regulate the operation of Model Aircraft under CAR (1998) Part 101.

The MAAA does not administer or regulate any CASA regulations for people who are not members of MAAA.

CASA provides a Deed of Agreement for this purpose and MAAA receives annual funding to act as the regulator for its members.

If you are not a member of MAAA you must still operate within CASA regulations such as:

- Minimum distance from spectators 30M
- Maximum height without clearance 400ft.
- Public displays to comply with CASA regulations
- All Model Aircraft (including FPV) to be operated in line of sight only.

IN SUMMARY

I hope that I have provided a bit more clarity on some of the areas being discussed at the moment.

MAAA provides a broad range of insurance coverage and protection for all levels of aeromodelling activities and their administration at national, state, club and member level.

The MAAA has a set of rules and procedures (MOPs) which assist with the self-regulation of the sport/pastime/hobby and can be changed but only by due process and not as a knee jerk to short

term lobbying. This is an appropriate process to safeguard the interest of the majority of the membership and the work over many years that has been undertaken to have the structures we now have in place.

The MAAA and the State Associations attempt to provide a range of services and an administrative structure that are about more than the benefits to any one individual. It is about the benefit to the collective group of aeromodellers as a whole.

This structure has been built up over many years and by the voluntary efforts of many aeromodellers.

Competition to the MAAA can be a good thing but only if it strengthens all the players and not if it weakens, either by accident or design .

At the MASNSW June Monthly Management Meeting following the above information

It was the consensus of those present that:

- *Clubs are allowed to make their own rules of association.*
- *Clubs can decide to go with **either** MAAA **or** AMAS that is their prerogative.*
- *MAAA has stated that MAAA members cannot fly alongside members of another insurance policy. It is in writing and published. It may change in the future – but right now that is what they say. The insurance company however will probably use that statement to avoid a payout.*
- *The MAAA Insurance has 4 policies – including **Club Level** Directors and Executives insurance.*

So as it stands I will be recommending to my Club that we only allow MAAA affiliated members to fly at our Club Field.

If not MAAA then No Fly – Club rule.

With MAAA Membership I know:

1. *We have adequate, tried and tested insurance, that covers Members and Club Executives*
2. *Our Wings were granted and tested by trained instructors*
3. *Our Large Aircraft have been inspected and approved by accredited inspectors*
4. *We have tried, tested, and well respected representation to CASA*
5. *We have access to Loans, and Sponsorship from MAAA.*

Bob Carpenter
President
MASNSW Inc.