



Drone Regulations Stifle Business And Innovation With New Technology

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The Senate committee examining Australian drone regulations has had just one public hearing and is months away from its December reporting date.

Nevertheless, last week they wrote to the Minister for Infrastructure and Transport, Darren Chester, strongly encouraging immediate action and “strengthened regulation” for drone technology.

Calls for more red tape and restrictions on drones is not only premature, but represents a disturbing precautionary shift in Australia’s drone debate.

The \$100 billion global drone market holds remarkable opportunity to boost productivity for our key primary industries. Farmers can better manage their land in difficult or cumbersome roles by collecting data to improve yields. Miners use drones for exploration and to assist with environmental management over long distances.



But Australia risks passing up these opportunities if we over-regulate today.

Regulatory tensions for drones have existed in Australia for more than a decade. But in September last year, the Civil Aviation Safety Authority updated the rules to reflect the growth of the industry.

The most contentious change was the scrapping of licences and expensive training for flying low-risk drones under 2kg. Farmers working on their own private land were also given more freedom to use drones under 25kg.

Despite the disastrous picture being painted, these new regulations won't realise the dystopian images of blackened out skies.

Hobbyists and small commercial operations still face strict rules. There are prohibitions on flight within 5km of airports, higher than 120m in controlled airspace, and within 30m of people. Breaching these rules incurs fines of \$9000.

CASA clearly recognises the trade-off between safety and flexibility. It also understands that regulation should be risk-based, and that it's simply unviable to heavily regulate all uses.

Encouraging drone deregulation is particularly important because businesses looking to adopt drones are keenly observing the regulatory environment globally. For instance, when Domino's chose to fly its first pizza last year in New Zealand, it said the country had "the most forward-thinking aviation regulations".

Good drone regulations give freedom to entrepreneurs to experiment and test.

Poor policy, in contrast, emerges when safety is considered inherently more important than growth. This is known as the precautionary principle: where regulations underweigh the potential benefits to human lives that new technology brings.

The precautionary principle has existed for centuries. The 19th century "red flag laws" for cars in Britain are a prime example. The laws instituted a speed limit of 2mph in the city, and required a person to walk in front of all self-propelled vehicles waving flags. Of course this meant pedestrians were safe, but the enormous potential of cars was clearly delayed.

There's a threat that Australia is heading down this same precautionary path for drones.

On Page 9 of the only public hearing in Brisbane, a temporary ban on the sale of drones is discussed. Such an extreme outcome is unlikely.

But we are seeing the precautionary principle in action: regulation based on potential harm, not demonstrated harm. It is telling that the committee has called for immediate action because of "mounting fears of the real prospect of a serious accident".



According to the Australian Transport Safety Bureau there have been no collisions between drones and manned aircraft.

Drone incidents are inevitable, as is inherent in all transport options. But policymakers must weigh up trying to prevent these accidents with leaving room for entrepreneurs and hobbyists to realise opportunities.

Viewing the regulation debate from this optimistic perspective suggests regulators should consider further deregulation.

Maybe we should allow entrepreneurs to fly more than one drone at a time.

What about autonomous flight? Or even the prospect of enabling drones to be flown beyond visual line of sight. Companies such as Australia Post and Telstra have sought exclusions from regulations so they can test and trial new uses drones.

Regulatory challenges for drones will keep arising, but where possible the private sector should take a lead role.

The deregulation of the drone industry should not just be defended, but encouraged. Further, relaxed rules certainly shouldn't be reversed based solely on hypothetical fears and prospects.

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