Opinion: The Case For ATC Privatization In U.S. Is Weak

Robert W. Mann, Jr. | Aviation Week & Space Technology  
Mar 17, 2017

A subscription to Aviation Daily is required to access these stories.

- LoPresti HD Lights To Illuminate Air Transports
- JetBlue Focused On Costs, On-Time Performance
- Cleaner-Burning Biofuel Blends Can Reduce Contrails
- European Investigators Tag Team Airbus
- Could Protectionism Affect $1B In MRO Services?
- Cathay Pacific Planning Major HQ Reductions
- IAG Picks Initial Routes For Long-Haul LCC
- SmartSky Readies For Abundance Of Apps

In the business world, a viable proposal requires an economic rationale. A feasible ATC privatization proposal must state and quantify the cost, performance and logistics improvements it expects to achieve. There is no proof that privatization would save operators money, improve service reliability and quality or reduce flight time and delays that place a drag on the U.S. economy—which airlines have been in a position to remedy for more than a decade.
According to the Transportation Department, delays attributed to factors that airlines control were the largest category of delay in 2015, and by the widest margin since the government began collecting such data in 2003. Delays “due to late-arriving equipment” are not charged to airlines but are almost as large and are typically the consequence of earlier airline-caused delays. According to Bloomberg, “airline-caused delays totaled 20.2 million minutes last year—2.7 million more than all other categories combined.” How would ATC privatization alleviate these and other delay causes and costs to the economy that are clearly within airline control? Proponents don’t say.

Delta recognized a decade ago that “self-help” works and is the first step to reducing delays and optimizing outcomes. Delta CEO Ed Bastian noted that the nation’s air traffic system is “far from broken,” adding, “What sets Delta apart is that we have invested in our people, our operation and our technology to enable us to outperform our competitors within the system where we all operate.”

Delta used commercial software at Atlanta, Detroit and Minneapolis; US Airways/US Express used the same software in an FAA-sponsored demonstration at Charlotte, North Carolina. The system optimization benefits each carrier was able to achieve were validated by independent reviewers. Managing and stabilizing aircraft flows—eliminating randomness and variability—reduced delays, block times and dwell time in the terminal area as well as fuel burn, emissions and operating costs, and it expanded airport handling rates and capacity.

Each carrier’s program operated with the FAA’s full knowledge, unimpeded, and each reduced ATC system complexity and terminal area controller workload. Neither program required any new airline, aircraft or FAA equipage, unlike Flightdeck Interval Management or many promises under NextGen.

NavCanada is the ATC system cited most often as an example of the success of privatizing air navigation services. But NavCanada’s fees are increasing costs and hurting Canada’s carriers. As the Conference Board of Canada said in its report *Driven Away: Why More Canadians Are Choosing Cross-Border Airports*, factors including air navigation fees of $30–40 per round-trip passenger (on trips over 300 mi.) give a 30% cost advantage to U.S. air carriers.

Supporters of privatization/corporatization promise no performance improvement and primarily seek to step away from congressional oversight and avoid funding uncertainties that Congress creates. They also seek the power that a privately run ATC system would give them, for example, to select and award multibillion-dollar annual system financing, procurement and operational contracts.

Continuous improvement to ATC system processes and performance can and should be made. All system users have a role to play, not just airlines. And Congress must ensure stable funding to make improvements possible on an efficient basis.

Informed discussion of air traffic management and airline performance improvement should focus on what airlines and other significant participants can and should do right now to resolve these issues. We do not need to risk our future on transformations that could leave us no better off than we are now and possibly worse off. They deflect attention from what airlines can do to lower operating costs, improve operating performance and reduce delays in scheduled transportation system logistics.

*Robert W. Mann, Jr. is president of R.W. Mann & Co. Inc., an independent aviation industry advisor. He was a senior executive and corporate officer at American Airlines, Pan Am and TWA and served on the International Air Transport Association’s Information Management Committee. The views expressed are not necessarily those of Aviation Week.*
ATC privatization would kill general aviation, at least it would kill off all GA outside of the well-funded big corporate flight departments. And killing GA would make aviation far more elitist than it already is. It would turn the USA into Europe, and especially hurt small towns that cannot support viable point to point commercial air service... which is to say, the vast majority of towns and cities in the USA.

Airline controlled ATC. If the goal is killing general aviation privatized ATC is certainly the way to go.

The America where the skies were seen as a national asset which should be open to all citizens is a now antiquated concept like the idea that America belongs to it's citizens and not just the powerful.

In our new Gilded Age the idea of a government operated to benefit all is seen as "socialism" and every government service seen as a potential profit center for business.

Be prepared for plenty of those TV news stories showing that pesky Cessna 172 holding up a line of airliners at 5:30 p.m. Do not expect to see pictures of a long line of airliners holding up that 172.

John Doe, private pilot does not advertise on W$$ like the airlines do.

Privatization of ATC in USA is a COLOSSAL mistake. Look no further than the union thugs running private ATC in France (and Europe).

There are a number of problems with the present proposal. It is a terrible plan and doomed to fail (if implemented).

To my shame, the leadership of my union, the National Air Traffic Controllers Association (NATCA), endorsed a privatization approach that basically matches what is being kicked around today. NATCA should be ashamed of itself; it's also worth noting that a significant portion of the rank and file of the union membership do not agree with the leadership on this issue.

The biggest problem with the proposal is the notion that the airlines (if allowed to dominate the board of directors of the new ATC corporation) can somehow improve upon the US ATC system.

Considering that A) the US ATC system is the busiest, most complex, and most efficient ATC system in the modernized world, and B) most of the airlines have gone bankrupt (several multiple times) in the past few decades, this is an awfully huge load of BS to ask people to swallow.

More than that, though, the "solution" to the problem comes in with some terrible suppositions. The vast majority of "ATC delays" do not actually
stem from poor ATC performance. They come when too many airplanes are trying to use the same runway over a given amount of time for the given weather conditions.

ATC has essentially zero control over the weather or airline scheduling or the number of runways at an airport or even the randomness of enroute conditions that might lead to flights arriving 15 minutes sooner or later on any given day, yet the airlines have so regularly beaten "ATC delays" into everyone's heads so much that almost none of us stop to consider what that phrase really (doesn't) mean.

You could cure 80% or more of the ATC delays in the nation by simply setting a hard limit on the number of aircraft allowed to be scheduled to arrive at an airport to that airport's worst-weather, IFR arrival rate. You'd be letting a ton of VMC capacity go to waste, of course, but ATC delays would almost disappear.

But nobody talks about that.

The real problem that our ATC system has is political- and in this sense, I cannot blame the airlines for their naked power grab.

The airlines are looking at the significant costs of NextGen upgrades, the so-far fairly weak justification and savings, and deciding that they aren't sure they want to keep footing the bill for the program.

They shouldn't want to. Upgrades in technology are great, but NextGen is based on a number of choices that were made by Bush-era FAA Administrator Marion Blakey and her underlings.

Blakey's FAA continually chose untested, undesigned, unrealistic technology "solutions" that cost huge sums of money. The biggest example: Instead of using MLAT, they went with ADS-B.

This decision- to mandate ADS-B- is incredibly dumb. The reason is that the only real advantage that ADS-B has over MLAT is ADS-B's air-to-air capabilities... but the reality (that the airlines have figured out) is that those capabilities won't do them any good, because they won't actually get to fly any closer or land any faster than they already do today.

It should come as little surprise to anyone that Marion Blakey's next job, after making this decision that greatly benefited electronic aviation equipment manufacturers, was to go become the president of a trade association for electronic aviation equipment manufacturers. (At a huge pay raise, too. Go getcha some, Marion!)

The other political problem with today's FAA is the reason that so many people keep harping on as justification for adopting this proposal- the need for a "steady, predictable funding stream for the FAA".

This is true- the battles over the past decade or so, fought over federal taxation and spending policy, have made the FAA's budgetary process a mess.

But to pretend that this is some kind of "unsolvable" problem that is like a force of nature is folly. We know exactly what the problem is; there's a group of uber-right-wing people who hate federal spending almost as much as they hate federal taxes, and they've gained control of the Republican party, and their demands have been screwing up our budgets for years.

Political problems require political solutions. I'm a pinko socialist (according to my Trump-loving friends) so I'd simply say "quit voting for the Republicans" but honestly, all that's really needed is that the few reasonable Republicans left in their party step up and say "no, this is dumb, we can't effectively run the federal government like this" or more
specifically say "no, let's properly commit to funding the FAA as it needs to lead the world's aviation sector into the mid 21st century".

Turning over the ATC system to the airlines is madness.

Quite frankly, we would do far better to turn over the new ATC corporation to a board of directors made up of an airline representative, a military representative, a business aviation representative, a GA representative, and 5 representatives of the employees unions of the FAA's ATC services.

And if you're thinking "that's like giving a fox the keys to the henhouse!", then why do you think it'd be okay to give them to the airlines to run?