

Oppose Airline Backed Effort to Privatize ATC System

History

For more than 20 years, the big airlines have sought to seize control over our nation's air traffic control (ATC) system to effectively determine who can fly where, when and for how much. Airline executives also want the ability to control where investments in the aviation system are made. This has been a longstanding airline goal, and in 1997 when new entrants began challenging legacy carriers, one of the new carriers sounded the alarm, saying, "The issue is not one of economic efficiency, but of economic power, economic domination, and economic control." New carriers felt the "endgame" of big legacy airlines was the takeover and control of the ATC system for their exclusive benefit.

Current Status

The Federal Aviation Administration (FAA) is operating under a temporary authorization that expires on Sept. 30. On June 5, the Trump Administration introduced principles for ATC reform that include turning over our ATC system to a private board. This plan to hand the system to a private monopoly controlled by a group of aviation stakeholders beyond the reach of Congress is of significant concern to business aviation. Commercial airlines support these privatization efforts, and if they succeed, the ATC system would effectively be an unfettered monopoly dominated by airline interests.

NBAA's Position

The U.S. ATC system is the safest, largest, most complex and efficient in the world making it impractical to apply funding and governance models used by vastly smaller systems. Further, our nation's airspace and airport system belongs to the public and should be run for its benefit, not controlled by special interests. The American public agrees, and a poll found voters oppose privatizing ATC by a nearly two-to-one margin. There is strong opposition from general aviation, consumer groups, state and local governments, security experts, liberal and conservative think tanks, and Members of Congress.

Analysis of business aviation operations and system funding in countries with privatized ATC systems has found that giving sweeping latitude over system governance to self-interested stakeholders may allow them to effectively restrict where and when companies using business aviation can fly, and how much they pay to use the system. This is already the case in Australia, where the privatized system has rules giving commercial airliners priority over business aircraft. Canada also severely restricted the general aviation operations during recent runway construction at Toronto Pearson airport and is considering future general aviation slot requirements.

Next Steps

When contacting the Trump Administration and Congress, consider emphasizing the following points:

1. Any attempt to turn control of our nation's ATC system over to a board will negatively impact our business.
2. The business community supports targeted solutions to identified challenges as we work to keep the U.S. ATC system the best in the world.
3. The business community supports modernizing our aviation infrastructure and utilizing public private partnerships, but actual control of our ATC system is an inherently governmental function. The public airspace belongs to the public, and all users must have equal access.

About NBAA

The National Business Aviation Association (NBAA) represents more than 11,000 companies that use general aviation aircraft to meet at least a portion of their transportation challenges. Over 85 percent of these companies are small and mid-size businesses, many of which are based in cities across the country with little or no airline service. Business aviation allows companies to reach more than 5,000 airports, while the commercial airlines only serve around 500.