

Nick Calio Remarks – Aero Club of Washington

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as delivered

Thank you – David and the Aero Club. I'm honored to be here.

I'm also honored to work in an industry with so many dedicated, talented people. I'm talking about my incredible team at A4A, with whom I work day-in-and-day-out, as well as our Board members, and airline members, as well as all you people in this room. We have a great industry, and it's great to be part of it.

I also am humbled to work in the same industry as many men and women who I don't know personally – but whom I respect immensely. These people are exemplified by the crew of Alaska Airlines flight 1282.

Their quick and heroic actions, along with the professionals in the air traffic control tower, kept passengers safe during a truly terrifying incident.

This reminds us how crucial it is to invest in and care for our National Airspace System.

When I originally sat down to work on this speech, I had New Years resolutions in mind.

So often, our New Years resolutions are the same from year to year. I know mine are:

Learn how to type – that’s over 50 years.

Lose weight—well you can judge for yourself.

Maybe quit drinking or swearing as much...that one never quite works out.

As an aerospace community—our resolutions have probably been the same for 20 years or more:

Get more air traffic controllers in the pipeline.

Get rid of these infamous paper strips. You all know I love them.

Finish a single NextGen project and have it benefit operations.

The key to keeping resolutions is accountability.

Change only occurs when the pain of the status quo is worse than the pain of changing.

Friends, we are at that point with our airspace system.

Change also happens quickly on the heels of tragedy. We do not want to put ourselves in the position of waiting until something happens to make the changes that we all know that we need to make and make now.

Airlines, of course, are not perfect. I don't tell my Board members that, but they're not.

But they have accepted responsibility for what's within their control. Carriers strive every day to be better.

Our business depends on it. It's common sense because our carriers—all of whom are here today—

compete aggressively, and I do mean aggressively, if not ruthlessly, for repeat customers.

But carriers don't operate in a vacuum.

The integrity of the NAS is dependent upon both industry and government working hand-in-hand and keeping up their end of the bargain.

Both passengers and airlines pay dearly into the system and expect it to work efficiently. They have a right to that expectation.

Right now, the system is not working quite as it should because of long-term systemic problems that have been identified most recently by the FAA Safety Review Team's report.

So it's not just me saying these things.

I'm going to sound critical in some places. I'm trying to be critical because we work with our partners in government every single day. Many of them are here.

But it's worth taking a look at that report.

It's all of our responsibility to address it head-on.

Back in September, I spoke at the U.S. Chamber of Commerce summit and said, "Our aviation system is at an inflection point."

I said every level of government and every stakeholder must have a sense of urgency about addressing these problems.

Carriers, airports, OEMs, FAA, DOT, the White House and Congress.

Excuse me, I'm going to need water.

Because of that, the problems are known, the potential outcomes have become predictable.

We can't put ourselves in the position of asking what we would have done differently the day after something happens.

I heard someone recently say that we need to plan for the NAS of 2040. We cannot plan for the NAS of 2040 until we fix the NAS of 2024.

How we handle these issues today will determine what happens five years from now, ten years from now and fifteen years from now.

Just as I did in September at the Chamber, today I'm making a somewhat presumptuous all-hands-on-deck call to action to all the parties I just mentioned.

As government rightfully keeps industry accountable, so, too, must the industry keep government accountable.

It's a two-way street.

We must all work together—DOT, FAA and our other government partners—to ensure action is taken to secure our airspace and address the broader policies that inhibit practical progress, stability and predictability in our aviation system.

We are grateful to the FAA for their partnership and all the work we have already done together to address the deficiencies in the system.

We do work together every single day.

But we can do better.

We must do better.

It's right in front of our face. We can't avoid it.

The first step in realizing our mutual goals?

I think we all know it — ATC staffing.

Secretary Buttigieg himself has said we're still about 3000 controllers short of what we need to have.
3000!

The Inspector General's report from last June said that DOT "lacks a plan" to address these issues.

We believe that DOT is putting a plan together, but more urgency is required.

There's no choice. Business as usual isn't cutting it.

Last year, the agency netted a total of six—single digit six—new air traffic controllers.

At this rate, it will take decades to fix this problem.

We do not have decades.

The staffing shortage is having a material and direct impact on the system. Our carriers have had to voluntarily reduce flights in New York to accommodate challenges at N90, the New York TRACON.

This is obviously not for lack of demand. Demand is up! New York is one of the busiest airspaces in the country.

What's happening in New York is being replicated across the country.

And while we've upgauged—using larger planes with more seats—consumers are hit with fewer flights and fewer choices.

Simply unacceptable.

We need a disruptive change of thinking to build a new foundation and system to meet the needs of tomorrow and remain the safest system of transportation in the world.

At the Chamber summit in September, A4A called on the FAA to reinstitute the Collegiate Training Initiative (CTI) – a program that was successful in supplementing the training that occurs at the FAA facility in Oklahoma City.

It did so for many years.

We were pleased when FAA Administrator and the secretary stood together to announce their support for the revival of CTI.

It was a big moment. Positive action.

It was an important first step, and we appreciate the support from people around this room.

But what's happened since then?

First, a few select schools received a memo inviting them to be part of a CTI feedback working group.

However, in that invitation the FAA said, "We are not seeking, and will not accept, consensus or collaborative advice or recommendations from the participating schools."

That's feedback? I don't know. Maybe it's just me, but I find that...I better not go there. I find it strange.

Then, within a week, the FAA rescinded that invitation with another memo saying they would go back to their previous way of gathering information but from all the schools.

So, three months later, I guess we're back at Square One.

Frankly, what the FAA needs to do is share the Academy's curriculum and simulation capabilities with these schools and then set up an oversight process to ensure that the schools can provide an equivalent level of training.

It doesn't have to be this hard! This is a program that already existed at the FAA and was successful until it was arbitrarily cut off.

We'd like to see this program operate in the same way carriers work with some of our other agencies like DHS, TSA and others.

When a problem is identified, we sit down together as respected partners and collaborate on the quickest way to solve the problem in a way that's good for everyone and safe for everyone.

It's now January. There ought to be a timeline put out by the FAA for the revival of this program with a hard stop. Say 3 months at the outside. We can't let it go on and on and on like we do in other ways.

As was mentioned earlier, Sharon DeVivo, the president of Vaughn College and Alan Stolzer, Dean of the College of Aviation at Embry-Riddle are here with us today.

If you get a chance, talk to them about the capabilities that they have in place and how private institutions like theirs can help us triage this problem.

Talk to them about what they're ready to do with their students.

We often say there is no silver bullet. This is as close to a silver bullet as you are ever going to find.

The program can really help.

The schools are ready to get students into the pipeline and into ATC facilities now.

In many cases, their equipment and their instructors are on par, or in many cases better, than what's in Oklahoma City.

Next, we were all gravely concerned with last year's runway incursions and other close calls here in the United States.

The incident in Austin last February got a lot of media attention and was truly terrifying.

The harrowing incident with Japan Airlines earlier this month was a fiery reminder of how crucial our work is to keep aviation the safest mode of transportation.

I'll say it again: The day after a tragedy is not the day to talk about what we should have done. We must face the potential dangers or weaknesses now and work to mitigate those endangering factors.

That's what we do everyday. That's how we keep the system safe and keep it the gold standard.

And that's why, again, we must act with urgency to get qualified, trained controllers into towers.

I keep repeating "urgency." I'm going to keep belaboring it. Because in my view, in our view, it is an urgent problem.

It's easy to ignore maybe on a day-to-day basis, but we have to come up with a plan to address it.

More air traffic controllers aren't needed just to keep up with attrition and retirements.

The NAS is more crowded and complex than ever with the evolution of commercial space and other new entrants.

While the system has gotten more complex and cutting edge, the platform it operates on is falling behind. It's not falling behind, it is behind.

One need only look at the state of our ATC facilities. This, too, was identified in the FAA Safety Review Team's report.

The FAA's 21 Air Route Traffic Control Centers, which largely control enroute traffic, are located in buildings that are roughly 60 years old, without a current plan or budget to replace them.

For God's sake, that's almost as old as I am!

The state of disrepair at some these facilities is an open secret.

Many of the towers, including like Boston and Tampa, are over 50 years old and desperately need to be replaced.

Minneapolis Center consistently floods, and the FAA has installed 22 pumps to help manage the water level. Most of the pertinent equipment that runs the facility is located below the waterline.

If that is not a Whiskey Tango Foxtrot moment, I don't know what is.

Decades of investment neglect have compounded year-over-year resulting in the degradation of the system that we are experiencing today.

Budgeting is always hard, particularly at the FAA. We all know how that system runs. You put in a request, DOT changes it some, it goes to OMB, it gets changed more.

You know you can't have capital investment on that kind of budgeting basis.

The FAA is a relatively unique institution within the government as it serves as the traditional safety regulator and the operator of the air traffic control system.

This essentially equates to the government running and operating what should be a state-of-the-art tech company.

I've been at my job 12 years now, it's a little hard to believe.

But in those years, the carriers have made remarkable investments in their product, their systems and their people.

The government needs to do the same in an organized and timely way, and we are all here to help do that! All you have to do is ask us and partner with us!

I'd be remiss not to mention our old friend the "NextGen" program—rife with cost and largely lacking operational benefit.

The challenges and nuances of NextGen's shortcomings have been well documented by the Inspector General and many others. We now all know the jokes—but they're not really funny.

Again, I'm not being critical and just pointing fingers. We all have a stake in this, and we must be clinical about what the problems are and how we can work together to fix them.

The FAA has been piecing and patching together for years.

Taxpayers fund the entire system—about \$17 billion from commercial airline customers alone. We all know that whenever you buy an airline ticket, 20-22% of that ticket is federal taxes and fees that go to the government.

The general fund also makes a contribution that goes into running the system.

The failures of NextGen are part and parcel of a larger problem that has led to issues well beyond NextGen, such as ASDE-X, ground surveillance technology.

Let's go back to Austin. Demand to and from Austin Airport has grown astronomically over the last 10 years.

The well-documented runway incursion I mentioned earlier was a huge wakeup call.

I'm sure the tech-savvy folks down in Austin have no idea that they don't have any ground surveillance equipment at that airport.

They're scheduled to get some kind of ground awareness equipment there come this June. Again, how long does it take?

Here are a few other examples:

Most ATC facilities are still using paper strips. One of my favorite topics.

Europe, Canada and Australia have been digitized for more than two decades.

We started a project to digitize in 2016. We're nowhere near done.

Last January, the FAA NOTAM outage caused the first nationwide ground stop since 9/11.

There was another technology outage a few days later when the enroute automation modernization system – ERAM – went out in Miami. That caused massive issues all up and down the East Coast and in Florida.

By the way — ERAM still needs to be deployed in several markets.

We're still operating on the archaic NOTAM platform, and we don't even have ERAM completely installed.

Another program laughably behind the times? And this one blows my mind.

Air traffic controllers work on a computer system called IDS-4. This is the equivalent to a pilot's flight bag. It has all the information a controller relies on to run operations.

Deployed in the early 1990's, when I still had black hair, this system operates on a platform no longer supported by Microsoft.

And get this — you need a floppy disc to upload the data.

So I did a little experiment. I called in some of our younger staff and I asked them what these were. They struck out.

How is the FAA supposed to attract young talent when they use equipment that most 20-30 years old have never heard of?

By the way, this floppy disc system is used in more than 200 air traffic facilities today.

This past year, DOT has really stressed transparency, highlighting their dashboard of carrier policies and passenger rights. It's a good thing.

Our carriers were already doing most of these things, but we agreed to participate and give the public a centralized location to see and better understand their rights.

In that same spirit of transparency, there should be public dashboard highlighting DOT and FAA initiatives.

How much do these programs cost?

When did they start? When will they finish?

Why?

Because all these programs have a direct impact on passengers, on shippers, and on jobs and the greater economy.

When our airspace system is old and outdated, we all pay the price.

Let's wake up and smell the jet fumes.

Now, Congress of course has to do its job to do.

The appropriations have consistently appropriated money.

We need a new authorization for the FAA.

We're on our second extension.

Working extension-to-extension is not conducive to making the FAA work the way it should.

The FAA needs certainty.

We all need the certainty.

We appreciate the bipartisan work product of T&I Chairman Sam Graves and Ranking Member Rick Larsen. They worked diligently to produce a bipartisan product. It passed the House with a huge bipartisan majority, and we all applaud them for that.

The Senate is still ironing out some issues, but I know Chair Cantwell and Ranking Member Cruz agree on the importance of this reauthorization.

We are all working closely with them and their staffs so we can conference with the most robust, bipartisan product possible.

I have talked about a lot of issues and concerns today.

Clearly, simply, we cannot afford the status quo.

We can and must do better.

I'll finish where I started off today: on resolutions.

By next year I'll be ready to type.

But by next year, let's resolve that we're going to look back at 2024 and say it was the year we acted with urgency, to follow it through and make much very needed changes.

Thank you all very much.

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