Nick Calio Remarks – Aero Club of Washington

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as prepared

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

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, airline members and the people in this room.

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

The quick and heroic actions of the inflight crew and professionals in the air traffic control tower kept passengers safe during a truly terrifying incident. They represent the best of this industry.

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 year after year, I know mine are:

Learn how to type – that's going on 50 years.

Lose weight.

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

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 paper strips.

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.

Change also happens on the heels of tragedy. Do we want to wait until a tragedy happens?

Airlines, of course, are not perfect, but carriers have accepted responsibility for issues within their control. Carriers strive every day to be better.

Our business depends on it. It's common sense because carriers compete aggressively for repeat customers.

But carriers do not 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, it is not working because of long-term systemic problems that have been identified by the FAA safety review team's report.

It's not just me saying these things.

Look at that report! It's all of our responsibility to address it head-on and hold each other accountable.

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 these problems.

The problems are known, and because of that, 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 bad strikes.

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 deal with the NAS of 2024.

How we handle these issues today will determine how the system operates in five, ten, fifteen years.

Just as I did in September at the Chamber, today I'm making an all-hands-on-deck call to action.

As government rightfully keeps industry accountable, so, too, must the industry demand that government be accountable.

It's a two-way street.

We must all work together—with DOT, the FAA and our other government partners—to ensure action is taken to secure our airspace and address the failures of 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 deficiencies in the system.

But we can—and must—do better.

The first step in realizing our mutual goals?

I think we all know — addressing ATC staffing.

Secretary Buttigieg himself acknowledges we're still about 3000 controllers short.

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

We believe that DOT is starting to put a plan together, but more urgency is required.

Last year, the agency netted a total of just six new air traffic controllers.

Six. Single digit.

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 aviation 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.

But what's happening in New York is occurring all across the country.

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

Simply, this is unacceptable.

We need a disruptive change of thinking to build a new foundation and system if we are going 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 Academy in Oklahoma City.

It did so for many years.

We were pleased when FAA Administrator Whitaker stood with the Secretary back in November to announce their support for the revival of CTI.

This was a 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."

Then, within a week, the FAA rescinded the invitation with another memo saying they would go back to their previous way of gathering information 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 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 previously and was successful until it was arbitrarily cut off.

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

When a problem is identified, we sit down together and collaborate on a solution as respected partners.

It's now January. There should be a timeline on when CTI will be initiated and on what terms…a timeline with a hard stop. We would propose a 3-month hard stop.

It's been six months since A4A called for the revival of the CTI program.

It's been three months since the secretary and administrator voiced their support.

It's time for action.

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

If you get a chance, talk to them about the capabilities they have in place and how private institutions like their schools can aid industry and government needs right now!

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 can find.

This CTI program can triage the staffing gap.

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

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

The incident in Austin last February that garnered significant media attention 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 in the world.

The day after a tragedy is not the day to talk about what we should have done. We must face the potential dangers now and work to mitigate those endangering factors.

That's how we keep the system safe. It's what we work at every day. Our gold standard.

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

I keep repeating "urgency" because this must be addressed urgently.

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. One need only look at the state of our ATC facilities to realize that. 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 air traffic, are located in buildings that are roughly 60 years old, with no current plan or budget to replace any of them.

That's almost as old as I am!

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

Many of the air traffic control towers, including Boston and Tampa, are over 50 years old and in desperate need of being replaced.

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

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

Decades of investment neglect have compounded year-over-year resulting in the degradation we see today.

Budgeting is always hard, but we need a transformative plan that reevaluates the basic standards we have used for decades.

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 in this job 12 years.

In those years, carriers have made remarkable changes and timely investments in operations, product and people.

The government needs to do the same in an organized and timely way, and we are here to help!

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 others. We know all the jokes at this point—but they're not really funny.

I'm not being critical and just pointing fingers. We all have a stake, 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 with little oversight into projects that are overbudget and beyond deadline.

Taxpayers fund the entire system—about $17 billion from commercial airline customers alone. An average of 20-22% per airline ticket is government taxes and fees.

Plus, there's also money from the general fund that goes into 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.

Demand to and from Austin Airport has been growing astronomically for years.

The well-documented runway incursion there last February was a huge wakeup call.

I'm sure the tech-savvy folks in Austin would be shocked to know their airport doesn't have ground surveillance equipment.

Here are a few other examples:

Most ATC facilities are still using paper strips.

Europe, Canada and Australia have been using a digitized strip system for more than two decades.

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

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

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? 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 the operations.

Deployed in the early 1990's, this system operates on a platform no longer supported by Microsoft.

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

I showed these to my younger staff this week, and they didn't know what they were.

How is the FAA supposed to attract young talent and compete for jobs when they use technology that most 20-30 years old have never even seen?

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.

Our carriers were already doing most of these checkmark items, 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.

What are they?

How much do these programs cost?

What's the status of these taxpayer funded projects?

When will they be completed?

Why?

Because all these programs have a direct impact on passengers, shippers, 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.

Of course, Congress has to do its job, too.

We're operating on our second FAA authorization extension.

Working extension-to-extension is not conducive to the growth and efficiency of the NAS.

The FAA needs long-term certainty, as does industry.

We appreciate the bipartisan work product House T&I Chairman Sam Graves and Ranking Member Rick Larsen worked diligently on and passed out of the House with a huge bipartisan majority.

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 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: resolutions.

Let's resolve to make 2024 be the year we act with urgency, follow through and make those needed changes.

Working together, in a collaborative manner, I know we can.

Thank you.

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