Hinson

TALKING POINTS
VSCS COMMISSIONING
SALT LAKE CITY ARTCC
SEPTEMBER 6, 1995

- It's a pleasure to be here in Salt Lake City with all of you who have helped get this VSCS operating over the last 18 months. It's a cornerstone of our ATC modernization efforts.

- VSCS gives us a remarkable capability to handle ever-increasing traffic volume. Our air traffic control system handles an average of two flights per second, every minute, every hour, 365 days a year.

- Last year, FAA control centers handled more than 39 million flights. Salt Lake City alone handled more than 1.3 million. The number of flights the center is handling has grown by about one-third in the past decade.

- FAA's latest forecasts for U.S. commercial air carriers predict overall growth of 4.2 percent over the next 12 years. 800 million passengers a year in less than a decade. More than 1 billion a year by 2010.

- Moving all that traffic safely demands crisp, clear communications between controllers and pilots, and among controllers themselves. Safety can be compromised by incoherent, choppy or incomplete messages.

- [As a pilot for more than 40 years, I can tell you how important voice communications are -- and how confusing they can be sometimes. Anecdote from personal experience.]

- For too long, we've had to rely on 1950s-vintage electro-mechanical and vacuum tube technology to perform our air traffic control functions. VSCS brings us up to date with state-of-the-art digital technology.

- The controllers who have worked with VSCS give it rave reviews. They've given us comments such as "much clearer than the present system" and "reliable and easy to use."

- The beauty of VSCS is that it is a system for today and tomorrow. It helps us immediately by providing greater capacity and capabilities than the current system. The system is less costly to maintain, and is flexible enough to incorporate technology advances into the 21st century.

- The Denver VSCS went operational on August 6. That means the whole region — an area equal to about a quarter of the continental United States — is now using VSCS.

  --Nationwide, VSCS now handles approximately 15 percent of en route traffic.

- VSCS is more than just a technology success story. The entire VSCS team, both FAA and Harris employees, put in long hours to get us to where we are today. They've demonstrated the highest levels of dedication and professionalism.

- Everyone tried to balance operational requirements with cost-effective solutions to problems. Especially during installation and testing, the team looked for ways to minimize changes in requirements as well as to minimize overtime costs.

- Harris and the FAA worked closely together to make sure VSCS met all its milestones along the way. We structured the contract with several unique clauses that gave incentives to Harris and protection to the FAA.

- Together, we carefully managed limited funding to obtain the best possible results. For example, the cost of additional potential requirements generated by our Air Traffic and Airways Facilities offices was estimated at $53 million. The FAA used the NAS control board to cut the cost to a more reasonable $8 million.

- We're making excellent progress toward putting VSCS into all the en route centers. I'm confident that the FAA/contractor team we have in place will continue to meet their schedule and cost timelines as efficiently as they've done so far.

- I hope our programs in the future continue to go as well. Much depends on how the details of the Joint Budget Resolution are worked out in Congress.

- We don't yet know exactly what impact the budget will have on our ability to do the job America expects. I can say that, without some creative funding mechanism, the FAA cannot continue to serve the public at the same level.

- We would have to make drastic cuts in both personnel and programs. That could very well translate into more delays and severe economic consequences for the industry.

- The cuts could wreak havoc with our research plans as well. We cannot forget that new technology is the lifeblood of competitiveness in our industry.

- Both technical and fiscal challenges lie ahead. But I believe that fielding systems like VSCS will go a long way toward helping us satisfy the growing demand for aviation services in these uncertain budget times.

- We're well along on the road to getting VSCS commissioned and serving the American traveling public. They expect -- and deserve -- the best and safest airspace system in the world.

- And that's exactly what the FAA delivers.

TALKING POINTS
FEDERAL AVIATION ADMINISTRATION
ADMINISTRATOR DAVID R. HINSON
Thursday, September 7, 1995

Welcome, today I am pleased to share with you a new advancement in aviation that promises to take full advantage of a simple equation that serves as a guiding principle behind everything we do at the FAA:

> Technology, plus improved efficiency, equals increased air-transportation safety.

<u>The Safety Performance Analysis System</u>

The Safety Performance Analysis System, or SPAS, provides inspectors with the technology they need to more effectively do their job.

- Each year, over 365,000 air carrier inspection and surveillance activities are conducted by the agency. Compilation, evaluation and analysis of this information -- that for too long could take days and even months to assess -- can now be done in seconds with SPAS.

- SPAS will enhance air-transportation safety by placing in the hands of inspectors an improved assessment tool to identify potential risks.

Safety

- A joint effort between the user community and government, SPAS supports FAA's "Zero Accidents" initiatives begun last January.

- By comparing an air carrier's own current-to-past performance or the records of similar-sized carriers, SPAS will enable inspectors to:
  - Easily identify potential concerns for individual carriers or industry-wide trends; and
  - Take swift action to gain compliance -- before a problem becomes a hazard.

Efficiency

- Improving the quality and efficiency of the FAA's surveillance activities has driven the development of this new system. Until now, agency databases on the performance of carriers were too often inconsistent and did not lend well to measurement and accountability. SPAS increases FAA access to this safety-related data by presenting this information in a more user-friendly, time saving manner.

- Large air carriers are often inspected several times a day. Findings can range from "satisfactory" to "unfavorable." By improving and quantifying FAA data sources, this new state-of-the-art system will flag variations from the norm and speed up appropriate actions if required.

- As an analytical tool, SPAS will also assist the agency to direct, or in some instances redirect, inspector resources more efficiently to air carriers that have deviated from the norm and warrant more attention.

Technology

- Retrieval of information is the key to SPAS. Utilizing the most advanced software available (Microsoft "Windows 95") SPAS translates information from the agency's vast array of FAA inspection-related databases into easily understood user-friendly graphs and tables.

Data Quality

- Since SPAS relies heavily on existing FAA databases, any questions relating to concerns over the quality of agency information collection systems have been addressed. Before development and implementation of this new system began, significant steps were taken to upgrade, standardize and enhance existing data base structures and computer resources.

- Furthermore, a system is in place requiring nearly all SPAS data elements to be continually edited and checked at the source level. To ensure accuracy, training and updated user manuals have also been provided to all inspectors in the use of FAA's Flight Standards Information systems to recognize potential anomalies.

Development and Installation

- Placed in the field on budget and on time, particular effort was made to ensure that this new technology was accurate and served the needs of inspectors.

- SPAS is a dynamic system that will constantly change to meet inspectors' needs. Through continual advice and input from inspectors as well as industry, this new system is revolutionary and evolutionary, and will continue to be refined.

At this point, I'd like to introduce Associate Administrator for Regulation and Certification Tony Broderick.

Remarks Prepared for
David R. Hinson, Administrator
Federal Aviation Administration
Research, Engineering and Development Advisory Committee
Meeting
September 10, 1996

Good morning and thank you for being here. Let me start today by saying one more time how much I appreciate you taking the time out of your busy schedules to serve on this committee. Without your talent and insight the FAA would not be where it is today.

This morning I'd like to take a few minutes to talk about the outstanding safety record we have achieved in aviation in the United States -- and how we got there.

Whenever there is an accident, the public, quite rightly, wants to know "Is air travel still safe?" And, "Is there something more that government and industry should be doing?"

The answer to both questions is an emphatic yes. But to fully appreciate just how safe air travel really is, we need to look at the record in perspective. Not as a one-day concern, but year after year.

For many years, aviation was the responsibility of the Department of Commerce. The FAA was established in 1958 ... the same year that passengers first flew in commercial jet aircraft here in the United States. From that time forward, safety has always been the FAA's principal mandate.

To fulfill this mandate, the FAA employs about 48,000 people and has an annual budget of about $9 billion. Only about $2 billion comes from the General Treasury. Most of our funding comes from the 10 percent passenger ticket tax, the tax on jet fuel and aviation gas, and the waybill cargo tax -- all of which are paid into the Aviation Trust Fund.

At our size, if we were on the Fortune 500, we would rank about 158th in the nation.

We are a very geographically diverse agency, and we have many different responsibilities..

The safety of U.S. aviation has been called one of the most remarkable achievements of the twentieth century. It is even more remarkable when you consider that, from 1946 to the present, the number of air travelers increased from 13 million[1] to 550 million.

[1] ATA Safety Record 1938-94. Air Transport Association. 1/13/96 (Safety Record of U.S. Airlines. Part 121 Airlines. Scheduled Service)

There is an important comparison to be made here. If you were flying on commercial jets in 1960, I'm sure you thought it was safe. But in 1960, commercial aviation experienced 67 accidents -- 12 of them with fatalities.[2] If we take the 1960 accident rate -- measured in flight hours, as it is here, or by miles, or departures, or whatever measure you wish to use, and we apply that same rate to last year, we would have experienced 242 major air carrier accidents in 1995: 33 of them with fatalities. One every 10 days.

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[2] Ibid.

What happened between 1960 and 1996 to prevent that? In 1960, 58 million passengers flew in our skies. In 1995, the number was 550 million. In 1960, there were 3 million 856 thousand (3,856,000) departures by major United States carriers.[3] In 1995 there were more than twice as many. In 1960 there were 12 fatal accidents. But in 1995, there were 3, and only one ... the accident in Cali ... involved a major carrier.

In other words, we now fly four times as many passengers, we've doubled the number of take-offs[4], and reduced the fatal accident rate per 100 thousand departures by 92 percent.

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[3] Ibid.

[4] The estimated number of departures in 1995 by all scheduled service airlines was 8,220,000. Source NTSB press release January 25, 1996.

These are enormously important statistics and put into real perspective the situation for air travel in the United States today. Professor Barnett at MIT , who has researched the subject extensively, says that if you chose one flight at random every day, you would, on average, have to fly 21,000 years before you would be involved in a fatal accident.

There is no other mode of transportation that will give you those odds. In fact, if you really want to live a long life, you should get on a commercial airplane and not get off.

When people tell you air travel isn't safe, they simply don't know the facts.

The U.S. aviation safety record is a tribute to the professionalism of the pilots and crew on board the plane, and to all the thousands of people who support them on the ground ... mechanics, dispatchers, passenger screeners, air traffic controllers, safety inspectors, and airport operators.

It is also a fascinating story of five decades of technological progress and cooperation between government and industry.

The most significant advancement in aviation safety, by far, was the introduction of jet aircraft. Manufacturers quickly learned to build stronger but lighter airframes using new materials such as nickel alloys, titanium, and spun glass.

The introduction of jets also reduced the incidence of engine failure. The second generation of jets phased in during the mid-sixties virtually eliminated in-flight shutdowns.

Today's jet airplanes are bigger, faster, and fly farther than the early jets. And they have improved so dramatically that the integrity of the aircraft is seldom called into question.

Government and industry research programs have fostered improvements in cabin safety, advanced fire protection, and crashworthiness.

Advanced simulators provide realistic laboratories to train not only pilots but the entire crew. Pilots learn not only the basics of flying, but how to cope with deadly windshear and to practice other procedures to dangerous to attempt in a real aircraft.

And air traffic control technology has progressed to the point where, except in a very few areas, an aircraft is rarely beyond the watch of controllers. New technology will soon eliminate even those few remaining areas.

One of the leading causes of accidents between 1946 and 1974 was a category we called "controlled flight into terrain". It is the term we use to describe accidents where, for example, the pilots fly into a mountain or otherwise misjudges where the plane is with relation to the ground. In the mid 1970's, commercial aircraft began carrying a cockpit alerting system to warn pilots when they were coming too close to the ground. Since then, this threat has been all but eliminated in the United States.

The introduction of collision avoidance systems in 1990 provided an extra margin of protection from the risk of mid-air collisions. TCAS is required on all U.S. aircraft with more than 30 seats ... including aircraft that fly here from other countries. In a very short time, TCAS will be mandatory in Japan and the 33 countries which are part of Eurocontrol. Similar measures are being considered by Australia and New Zealand.

New technologies like ground proximity warning and TCAS share a common characteristic: they increase the amount of information available to the flight crew and raise the level of vigilance in the cockpit. Many of our most promising new technologies ... like automated decision support tools, satellite navigation, and digital data link communications ... are logical extensions of this trend.

Technology is crucial to the FAA. But because we are part of the federal bureaucracy, we were bogged down in "the molasses of process". In our case, about 10 feet of federal procurement regulations. The ability to buy and install new equipment when we need it has been one of our most difficult challenges.

Last April, we achieved a major breakthrough. Congress gave us the authority to set up our own acquisition and personnel systems ... free from government red tape and regulations. We still need a source of stable, permanent funding, which we hope the Congress will provide. But with the two reforms we now have, we have bettered our bettered our ability to deliver the important safety improvements that will carry aviation into the next century.

I mentioned earlier that, last year, approximately 550 million passengers flew in our skies. In a dozen years or so the number will swell to 856 million. A study by the Boeing Company shows how vital it is that we keep raising the level of safety. According to the study, unless we take steps now to reduce the already low rate of accidents, the number of accidents and fatalities will escalate along with the growth of air traffic.

Eliminating the few remaining hazards to aviation safety is the FAA's most pressing challenge and the focus of our most urgent efforts.

We are attacking the problem on four fronts: First, with air traffic improvements that target safety. Second, with new government regulations. Third, with new inspection and certification procedures. And, fourth, by heightening security.

Air traffic improvements that target safety.

We know that two of the leading causes of accidents are weather and mishaps between planes and vehicles on the runways taxiways (runway incursions).

We just placed the 18th Doppler weather radar in operation at Chicago O'Hare. Doppler radar virtually eliminates the threat of undetected wind shears. Eventually 45 of the nation's biggest airports will have this new technology.

In May, we began evaluating a new system at San Francisco International Airport to alert controllers to potential runway incursions. We call this system the airport movement area safety system, or AMASS. Thirty-four airports around the country are getting this new system. It is one of the industry's most-wanted safety initiatives.

We are also vigorously pursuing the development of satellite technology for civil aviation use to provide precision guidance at airports even in bad weather.

Last October, we began using two-way satellite communications at the Oakland air route traffic center. This may not sound impressive, but it's a tremendous breakthrough for aviation. It means that we have real time information on exactly where that airplane is. Pilots and controllers can communicate directly with each other, quickly and accurately, over oceans and remote areas. Once a plane got 200 miles out to sea, we couldn't do this before.

Safety through regulation

We take pride in the fact that our airspace is the safest in the world. But as crash of ValuJet flight 592 and TWA flight 800 so tragically demonstrate, the loss of one plane has such tragic consequences that we can never rest on our record. We never have and we never will.

Last year, we took the decisive step to ensure that the millions of Americans flying on smaller, commuter aircraft would have the same level of safety as those flying on larger commercial airlines.

We set new limits on the duty time for flight attendants to ensure that they have adequate rest periods.

We set new experience levels that pilots must have before they can be paired on the same flight.

We have proposed that airlines upgrade the flight data recorders to aid in accident and incident investigations.

We banned the use of certain booster seats, and harness and vest child restraints aboard U.S. air carriers. Our tests showed that some of them did not provide adequate protection for infants and toddlers.

We provided new detailed procedures to help pilots detect and safely exit icing conditions.

And for the first time in recent memory, we are proposing new work rules to reduce the consecutive number of duty hours that pilots are allowed to fly.

Safety Through Inspections

We have yet to find out what caused the crash of ValuJet flight 592 or TWA flight 800. But there are already some hard and important lessons to be learned from both.

In the case of ValuJet, it is apparent now that the extraordinarily rapid growth of this airline created problems that should have been more clearly recognized and dealt with sooner. As a result, we've strengthened our inspection procedures and tightened the regulations on contract maintenance and training programs ... not just for ValuJet but or all similar airlines.

As to one possible cause of the accident -- a fire caused by oxygen generators -- we have taken steps to prevent the future mishandling of hazardous materials.

We have called for action to ban passenger aircraft from transporting certain materials that can fuel fires. And we are requesting an additional 130 inspectors expressly for inspection, outreach, and public education regarding hazardous materials in air transportation.

Safety through increased security.

Following the TWA crash, President Clinton announced new measures to tighten security -- including more intensive screening of passengers on international flights, and more vigilant screening of carry-on bags on all flights.

The President also announced that Vice President Gore is leading a commission on aviation security that is to report back to him within 45 days. The commission is to produce an action plan to deploy machines that can detect the most sophisticated explosives, and other changes.

U.S. airports have been on heightened alert since last August. And, this summer we recently organized a special working group to examine U.S. vulnerabilities and to develop an array of countermeasures.

Conclusion

I hope I have given you new insight into the role of the FAA and a greater appreciation for the outstanding safety record of United Sates aviation. We have made remarkable progress in recent years in upgrading our air traffic technology, in improving the management of the FAA, and in raising the standards of safety. I have every confidence that our nation has both the will and the means to assure that our aviation system continues to be the safest and best system in the world.

TALKING POINTS FOR DAVID HINSON
AIAA LUNCHEON
"National Partnership in Aeronautics
Research & Technology
September 11, 1995

- **OPENING REMARKS**

The Report we're releasing today would not have been written a decade or two ago. Then, we were still relying on technologies invented in the early 60s and 70s -- even some from World War II. And they were still doing the job.

But today we're seeing clear signs that this trusted old technology is coming to the end of its life cycle. We need powerful new technologies to handle the enormous growth we are forecasting.

This report represents our best thinking about the steps we need to take.

The technological solutions it proposes are the potential sources of economic growth which we will need to prosper in the opening decades of the 21st century.

But this momentum will be lost without the combined efforts of government, industry and academia working together to harness their resources and expert knowledge.

- **MAIN MESSAGE**

The doubling of air travelers expected over the next two decades brings with it problems of unprecedented scale and complexity.

1. We must be able to maintain the high standards of safety that the traveling public has come to expect from air transportation. Technology creates new opportunities to improve safety ... to zero-out the already low risks of air travel.

2. We must be able to find ways to handle the growing volume of air traffic in an already crowded airspace. Technology is already revolutionizing air traffic control ... and at a faster pace than anyone could have predicted.

3. We must be able to add to the capacity of our airports, at a time when economic constraints and political opposition often make major new construction virtually impossible. We will have to rely on technology to give us the only solutions likely to be practical.

-- Our commitment to research must rise to meet these challenges.

-- It is clear that today's system places very real limits on growth. We are nearing the ceiling of our capacity, and depend, more than ever before, on technology to break through that barrier. Technological innovation is an economic necessity for our industry, and steady investment in research is a policy imperative.

Cooperative research has compiled a record of impressive achievements.

- **SAFETY**

-- Government research in fire safety and aircraft crashworthiness has been a major factor in reducing injuries and fatalities over the past two decades. Hundreds of passengers owe their lives to the improvements that have been made in cabin safety.

-- Many lives are being saved by airborne collision avoidance systems which are product of close collaboration between the FAA and the airlines.

-- Through cooperative research with NASA and the airlines, we have come to better understand the deadly effects of windshear. Over the last ten years, windshear-related accidents have virtually ceased. Now we are working with NASA to find new ways to accurately detect and predict wake turbulence.

-- One of the most disturbing issues of our times is the threat of terrorism. The FAA is the lead federal agency for research to eliminate this menace. The initiatives of this program include explosive detection, passenger screening, and aircraft hardening.

--The area of research that offers the greatest potential to improve safety is human factors. Despite the industry's success in developing more sophisticated and reliable technology, human factors are at fault in 60 to 80 percent of all accidents. We are teamed with NASA and DoD in a comprehensive initiative to conduct and apply human factors research to air transportation.

The most compelling evidence for the enormous value of collaborative research is the rapid development and deployment of the GPS.

- **GPS**

-- The potential value of GPS, although originally developed for military use, was apparent from the very start -- not only for civil aviation but for all forms of transportation.

-- We are using GPS today for supplemental navigation in our domestic airspace, for primary navigation over the oceans, and for non-precision approach guidance. We expect to begin using GPS ... enhanced with Wide Area Augmentation Systems ... for all phases of flight, down to Category One precision approaches, before the decade is out.

-- With the award of the Wide Area Augmentation System last month, we will not only become the world leader in this technology, we will also help create what experts project to be a $30 billion GPS industry in a decade, generating thousands of American jobs.

Combined with other technologies such as Collision Avoidance, Data Link, and higher levels of automation, GPS vastly expands the possibilities that are open to us.

- **FREE FLIGHT**

-- One of these is the flexibility to let the operators select their path and speed in real time. This concept, which we call "Free Flight", is available to some 13,000 flights a day in the higher reaches of our domestic airspace. Although still in its early developmental stages, we estimate that Free Flight saved our industry more than 40 million dollars last year.

-- Free Flight represents a fundamental shift for both the FAA and the user community. It is a major advance in the science of air traffic control which can only be achieved by continued investments in research.

- **MAKING BETTER USE OF OUR RESOURCES**

-- Within the FAA we have moved to integrate research, development, and acquisition into a single, seamless process ... one designed to speed the introduction of new products and better serve the needs of those who use our services. Dr. George Donohue was recruited from Rand to head up this new approach.

- **MOU BETWEEN FAA AND NASA**

-- While we know the basic design features of the next generation of air traffic management technology, many of the crucial details are still to be worked out.

-- The FAA and NASA are setting up an integrated program to develop ATM systems. Pooling the FAA's expertise in air traffic operations with NASA's expertise in aeronautics will, I am confident, help bring aviation into the 21st century and toward our long-term goal of Free Flight.

This Memorandum of Agreement Administrator Goldin and I have just signed it a logical step in expanding a very fruitful working relationship between our two agencies.

- **CONCLUSION**

-- The FAA, NASA, and DoD have a long and productive history of collaboration. As we move into the 21st century, we can expect to find the sphere of cooperation widening even further.

-- We will rely even more on partnership with the private sector. And, increasingly, we will look beyond our borders.

-- The international community has long looked to our nation as a source of new technology, innovation, and guidance. And we know that this leadership depends on a constant flow of investment in research and development and in forging cooperative partnerships abroad.

-- There is no alternative to partnership. No one can afford to go it alone anymore. And the need to coordinate our efforts and share our limited resources will itself be a major challenge.

-- We must develop models of cooperation which assure that the pace of progress does not falter. And we must share our resources in order to share the benefits of a safe and efficient system of transportation.

Thank you.

Talking Points[1] for FAA Administrator David Hinson
International Airline Passenger Association Advisory Board
Lansdowne, Virginia
September 14, 1996

- **Main topic. Putting aviation safety in perspective: a look at how the accident rate has improved over time, the urgency for further improvements, and how to achieve them.**

  1. Whenever there is an accident, the public wants to know "Is air travel still safe?" And, "Is there something more that government and industry should be doing?"

  2. To fully appreciate how safe air travel is, and the magnitude of the challenge, the record must be reviewed in perspective. Not as a one-day concern, but year after year.

- **The facts about aviation safety: 1960 to 1995.**

  1. In 1960, U.S. scheduled air carriers made 3.8 million departures, and carried 62 million passengers[2]. That year, there were 90 accidents, 14 of them with fatalities.[3] On average, a fatal accident a month or one every 321,000 departures. Everybody thought it was safe.

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[1] Topic suggested by IAPA: "Changes the FAA will be making in the aftermath of the ValuJet and TWA accidents." Number of people expected: 15. Scheduled time: 1 hour, including 20 to 30 minutes for q & a.

[2] Civil Aeronautics Board (1961 Edition) Handbook of Airline Statistics.

[3] NTSB Press Release, January 11, 1971.

2. U.S. scheduled airlines made 11.4 million departures last year and carried 580 million passengers.[4] There were four fatal accidents. Only one, the crash in Cali, Colombia, involved a major carrier.

3. If U.S. commercial aviation had experienced the same accident rate in 1995 that it experienced in 1960, there would have been 268 accidents, 42 with fatalities, or a fatal air crash every nine days.[5] This comparison holds if measured in departures, flight hours, or miles flown.

4. Since 1960, the number of passengers has increased more than three-fold: from 62 million to nearly 580 million. Airlines performed three times as many departures in 1995 as in 1960 (11.4 million compared to 3.8 million).

5. Between 1960 and 1995, aviation safety improved 91 percent.[6] Instead a fatal accident for every 273 thousand departures, in 1995 there was a fatal accident about one in every 3 million departures.[7]

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[4] Air Carrier Industry Scheduled Service Traffic Statistics Quarterly; Fourth Quarter, December, 1995/1994

[5] Computed by applying the 1960 accident rate per 100,000 departures (2.333 = accident rate, 0.363 = fatal rate).

[6] Based on the 1960 fatal accident rate per 100,000 departures of 0.363. Based on the 1995 fatal accident rate for Part 121 & 135 scheduled carriers of 0.0348.

[7] Based on 11,476,139 departures, Part 121 & Part 135, divided by 4 accidents in the same group.

- **Air travel today: increased safety, low fares**

1. In 1946, a flight on a Lockheed Constellation from LaGuardia to Paris cost about $650, round-trip. The flight made two stops and took between 16 and 17 hours each way. The Constellation could not be certified under today's safety standards. In 1995 dollars, the ticket would cost $4,280. But last month, a coach ticket from New York to Paris, round-trip, could be purchased for about $550. The flight takes about 6 hours and is a hundred times safer.

2. Aviation has benefited from five decades of technological progress.

Bigger, stronger airplanes
Fuel and engine improvements
On-board automation
Human factors
Training and simulation
Air traffic control technology
Government and industry research

- **Those who say air travel is unsafe do not know the facts.**

1. Professor Arnold Barnett of MIT uses statistical models to calculate the odds of perishing in a commercial aviation accident.[8]

1967 - 1976: 1 in 2 million
1977 - 1986: 1 in 7 million
1987 - 1996: 1 in 7 million
1/90 - 8/96 : 1 in 8 million

2. Death risk per flight on scheduled international U.S. flights over past three decades:

1967 - 1976: 1 in 500,000
1977 - 1986: 1 in 1.3 million
1987 - 1996: 1 in 1.3 million

3. If a passenger chose one flight at random each day, he/she would, on average, go for 21,000 years before succumbing to a fatal crash.

4. These statistics put into real perspective the situation for air travel in the United States today.

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[8] Professor Arnold Barnett, Massachusetts Institute of Technology, "Air Safety Statistics: Useful and Otherwise", lecture, August 19, 1996.

- **The worldwide aviation safety challenge: As air travel grows, the number of accidents will increase**

  1. By the year 2010 U.S. airlines will carry more than a billion passengers annually. The number of passengers, worldwide, is also expected to double, reaching 2.5 billion annually within the next 15 to 20 years.

  2. Studies by the Boeing Commercial Airplane Group point out that by the year 2015, unless today's very low accident rate is improved even further, the number of fatal accidents, worldwide, will increase to one every 8 to 10 days.

  3. Air travel has become the transportation of choice and necessity in today's environment. A fatal accident every 8 to 10 days will be no more acceptable to society in the next 20 years as the 1960 rate was to us. How to keep this from happening is a cause for concern for the FAA and for civil aviation authorities around the world.

- **Safety is the FAA's most pressing priority and the focus of our most urgent efforts.**

1. In the past three years, many air traffic control projects have taken definite shape.

  - The air traffic modernization program is back on track.

  - Replacement computers for the 5 busiest centers are 10 months ahead of schedule.

  - System reliability is at a higher than ever 99.4 percent.

  - Doppler radar is being installed at 45 airports where the threat of wind shear is the greatest. The 18th Doppler radar system went into operation at O'Hare last month.

  - In May, the FAA began evaluating the runway incursion alerting system (AMASS) at San Francisco International Airport. Eventually, 34 airports will get AMASS.

- **TCAS-II.** Aviation authorities around the world are following the FAA's lead and are requiring TCAS on all commercial passenger aircraft. By the year 2000, TCAS will be mandatory in the 33 countries which are part of Eurocontrol and in Japan in 2001. Australia and New Zealand are considering similar measures. A modification will be ready by the end of this year that will make TCAS more compatible with the various air traffic control systems throughout the world.

- **Data Link**. Two-way satellite communications have been available at the Oakland ARTCC since last October.

- **GPS.** The FAA will replace many ground systems (VOR, DME, ILS) with augmented GPS by the year 2010. One clear advantage of GPS is its ability to precisely pinpoint an aircraft's location in the air and on the ground.

- Countries that lack basic navigation and landing aids can use GPS to establish a sophisticated ATC system for a fraction of the cost. A recent study performed for the Dutch government[9] found that non-precision approaches are five times riskier than precision approaches. In some regions of the world, the risk is eight times greater. Seventeen countries have accepted the U.S. offer of GPS and approval is pending in three others. Nine are in Latin America, which has the second highest approach and landing accident rate in the world (32 per one million approaches. The country with the highest accident rate is Africa, the third is Eastern Europe.)

- **Enhanced Ground Proximity Warning System.** "Controlled flight into terrain" has been virtually eliminated in the United States, but it is still a leading cause of accidents, worldwide. An enhanced system, developed by Allied Signal, sounds a warning up to 60 seconds from terrain if the airplane's flight path places it too close to danger. American, United, and British Airways are committed to buy the new system. Japan Airlines and Lufthansa are studying it[10].

[9] "Precision Approaches Crucial to Landing Safety, Study Shows," Aviation Daily, May 14, 1996, Article 51991.

[10] "American Air Orders New Warning Device From AlliedSignal," The Wall Street Journal, 9/4/96.

2. New rulemaking initiatives.

- The "One Level of Safety" rule ensures that the millions of passengers flying on smaller, commuter aircraft have the same level of safety as those flying on larger commercial airlines.

- We set limits on the duty time for flight attendants, new experience levels for pilot "crew pairing", and proposed new flight and duty time work rules for pilots and crew.

- We issued new procedures for flying in icing conditions, new separation standards to reduce the dangers encountered from wake turbulence, and proposed a new rule to upgrade flight data recorders. .

- **New initiatives following the ValuJet and TWA accidents**

1. The National Transportation Safety Board noted recently that "most air accidents not the result of human error or a criminal act are caused by a series of events that have never occurred before."[11] This would certainly seem to be the case in the ValuJet crash.

[11] "Investigators Say a Fuel Tank's Condition Makes a Malfunction Less Likely, a Bomb More So," Don Van Natta Jr., The New York Times, August 14, 1996, p.B-5.

- **Hazardous Materials**. The FAA is calling for action to ban passenger aircraft from transporting certain hazardous materials. An additional 130 inspectors has been requested for inspection, outreach, and public education.

- **Inspections**. The oversight of fast-growing, low-cost carriers has been strengthened. Regulations have been tightened on contract management and training.

- **90-Day Review**. (Insert comments, if desired.)

2. Security levels were stepped-up at U.S. airports following the TWA accident, including more intensive screening of passengers on international flights, and more vigilant screening of carry-on bags on all flights.

3. President Clinton announced a $429 million package of new measures to combat terrorism proposed by the White House Aviation Safety and Security Commission headed by Vice President Gore.

- Purchase and install 54 CTX-5000 explosive detection systems. Seek an additional $20 million in the FAA's security research budget.
- Immediate criminal background checks of airline workers with access to secure areas.

- Create a computer profiling system to track passengers
- New security measures for screening mail and cargo
- Acquire 410 trace detectors to screen carry-on items
- Train and deploy 114 new canine teams
- Start a test program to match each piece of luggage with its passenger on all domestic flights
  Give the NTSB responsibility for dealing with the families of air crash victims.
- Require the airlines to provide a passenger manifest to the State Department within one hour of an air disaster.
- Hire 600 additional FAA security agents.

4. These are all necessary measures in a world where the most radical elements have ready access to the most dangerous technologies of destruction.

- **Taking the next step -- the crucial linkage between FAA reform and safety**

1. One of the principal drivers in improving safety from 1960 until 1996 was the FAA's ability to respond to the changing needs of a dynamic industry.

2. Today, the agency employs about 48,000 employees and has an annual budget nearing $9 billion. Slightly more than $2 billion comes from the General Fund. The balance comes from the 10 percent passenger ticket tax, and taxes on jet fuel, aviation gas, and cargo which goes into the Aviation Trust Fund.

If the FAA were on the Fortune 500, it would rank about 158th in the nation.

3. The FAA is a very geographically diverse agency with equally diverse responsibilities. (Air traffic control, system reliability, regulation and certification, inspection, ATC modernization, system security. airport development, aviation and aerospace research and development.)

4. The FAA is also an agency in transition ... from working with our hands to working with sophisticated fault analysis and the application of computer technology.

5. In April, the FAA was provided the unique opportunity to rewrite its acquisition and personnel rules. With these reforms, the agency has improved its ability to deliver the important safety improvements that will carry aviation into the next century.

6. The FAA still needs a dependable source of funding that will grow along with increasing demands. Several bills are before the Congress. But if Congress does not act, as appears likely, the passenger tax is set to expire again at the end of the year. The outcome is by no means guaranteed.

- **Conclusion**

I hope I have given you new insight into the role of the FAA and a greater appreciation for the outstanding safety record of United States aviation. We have made remarkable progress in recent years in upgrading our air traffic technology, in improving the management of the FAA, and in raising the standards of air safety. I have every confidence that our nation ... and our Congress ... has both the will and the means to assure that our aviation system continues to be the safest and best system in the world.

I thank you for having me here, and I will be happy to answer your questions.

Draft #3/9-12-95 4 p.m.

Remarks Prepared For
David R. Hinson, Administrator
Federal Aviation Administration
National Black Coalition of Federal Aviation Employees
September 14, 1995

Thank you for inviting me to address your conference this year.

You know, Washington is famous — I guess some would say "infamous" — for its changeable climate. That's especially true this time of year. It can be 90 degrees and sunny one day. The next day, it can be 60 and raining.

The political climate in Washington also can change pretty quickly. For more than 30 years, the terms "equal opportunity," "civil rights" and "affirmative action" symbolized what was best about our country and its system of government.

Today, though, those words have taken on a pejorative meaning in some parts of the Washington establishment. Too many people seem to think that creating opportunity for some people means tampering with the rights of others.

Let me make it crystal clear where I stand as Administrator and where the FAA stands as an agency.

All FAA employees will have equal opportunity, equal pay, and equal chances for promotions and greater responsibility.

We will have a work environment where all employees can fully develop their potential and fully contribute to the FAA's mission.

And all employees means just that. It includes, among others, minorities, women and people with disabilities.

We've established a set of civil rights, EEO and affirmative action policies to make sure those conditions continue to exist at the FAA. And as Administrator, I have the authority to ensure that we carry out those policies.

But you and I both know that I cannot — and should not — do the job alone. It takes the continued support of employee groups like the National Black Coalition of Federal Aviation Employees to make it happen.

For 19 years, the Black Coalition has worked diligently to foster the advancement of African Americans, other minorities and women in the FAA. Your efforts have been instrumental in moving us toward a more diverse and representative workforce.

With your help, we have made many changes during that time. And I assure you that you will see many more in the future.

Working together, we've made good progress in the last two years. Minority groups -- women, Blacks, Hispanics, Asians, Native Americans, and disabled Americans -- are now working in all kinds of jobs throughout the agency.

Let me just mention a few of our achievements.

To reinforce our commitment to Equal Employment Opportunity (EEO), diversity and the prevention of sexual harassment, we issued new policy statements on Civil Rights, Diversity and the Prevention of Sexual Harassment.

We created a Senior Executive Advocate to facilitate the agency's ability to focus on all aspects of opportunities for minorities, women, and people with disabilities to advance.

Thanks to our special outreach and goal setting efforts, we were able to hire more minorities and women in the critical technical areas of air traffic and flight standards. In 1994, almost half of our new hires in air traffic were women and minorities. In flight standards, that figure was 80 percent.

We had more than 8,500 participants in our diversity training to raise awareness of cultural, racial, and gender-specific differences in our work force. A majority of our managers and supervisors have received diversity training.

And we integrated equal employment and diversity in all the programs encompassed by the 1994 Strategic Plan. As part of that process, senior management officials are developing diversity plans. They are now briefing the Deputy Administrator and the senior management team regarding affirmative employment and diversity organizational accomplishments.

In the end, the purpose of these initiatives is help the FAA do its job more effectively. Fortunately, we have many talented women and minorities who are helping us do just that.

When I came on board almost two years ago, I appointed Brad Mims to be the Assistant Administrator for Government and Industry Affairs. Veteran aerospace engineer and pilot Chris Hart heads up our new safety office. And Debbie Wilson was appointed to the SES position of Manager of the Contracts Division in the Office of Research and Acquisitions.

On October 1, Frank Weaver will join us as head of the Office of Commercial Space Transportation Office, and bring Patricia Grace Smith with him as Chief of Staff .

In addition, managers such as Larry Covington in the Office of Business Information and Consultation, Theron Gray in the Office of Technology, Jerry Franklin in Security and Paula Lewis in the Capacity Office, are helping us lead this agency into the 21st century.

I also want to commend Bill Jeffers for his selections of highly qualified women and minorities. Bill's dedication and devotion to this agency has led him to place the best people in the right positions — Jim Washington, Will Nelson, Al Douglas and Mary Adams, just to name a few.

That's a sizable list of names, and there are many others in other organizations.

But there is one thing to remember about all these individuals. They did not attain these senior positions because of their skin color or their gender.

They got there because, purely and simply, they were the best people for the job.

Like the American public, we reject the idea of "quotas." The FAA does not select unqualified minority applicants over qualified white candidates or unqualified females over qualified males.

But we do have a goal to make the FAA workforce look more like America. If we didn't have that goal, we would surely be overlooking a vast reservoir of talent and experience available to us.

Today, it's especially critical that we make the best use of our resources. The broad bipartisan effort to balance the federal budget makes it very likely that the FAA will undergo a fundamental change in the coming months.

We are working with the Congress to determine what that change will be. On Tuesday, Senators McCain and Ford, and Representative Clement introduced a bill to reform the FAA. It proposes exactly the kind of changes we need to ensure that the United States continues to have the safest, most productive aviation system in the world.

The new bill proposes much more flexible personnel, procurement and financing processes. I believe it will let us take best advantage of new technologies. It will let us match resources with real personnel needs. We will be able to put skilled people where we need them. We will be able to reward good work and deal with poor performance.

No matter what shape FAA reform takes, though, in all likelihood we will be facing a sharply curtailed budget for the next few years. Hiring will be at a minimum. We will have to develop the in-house talent that we have. We will need to take even better advantage of the different viewpoints and fresh ideas that a diverse workforce can offer us.

The current budget climate also gives us another challenge.

As we downsize and streamline the FAA, we must make sure that our efforts do not adversely affect minorities and women. That would negate the modest progress we've made and hamper our efforts to create a model workplace now and in the future.

I am proud to be part of an Administration that believes this kind of fairness should be a way of life — where a new day for all employees is not only encouraged, but embraced.

That is not tokenism. It's power.

Minorities have brought to the FAA a vital sense of mission, a strong commitment to safety, and a dedication to public service that is extremely valuable.

This agency has advanced because of the courage, commitment, and the desires of our employees.

You have fought for the opportunity to be of service to this agency -- and you have prevailed.

I know the theme of your conference is "And Still We Rise," taken from the Maya Angelou poem "Still I Rise." The message is that through dedication, determination and perserverance any individual can grow and prosper.

When all of us grow and prosper as individuals, then so too does our agency, because we all share a common commitment. Let us work together, and support one another in our quest to make the FAA the best agency in the federal government.

Thank you.

AOA Cancelled

TALKING POINTS FOR DAVID HINSON
Administrator, Federal Aviation Administration
Aircraft Builders Council Annual Conference
Naples, Florida
September 18, 1995

INTRODUCTION:

It is a pleasure to speak to a group which represents one of the premier industries of our country.

It is a measure of your success that the U.S. continues to rank first as the most competitive nation in the world.

THE U.S. RANKS FIRST IN WORLD COMPETITIVENESS

American business can be proud that – once again -- the United States has surpassed 47 other countries in the annual rankings compiled by the World Economic Forum. We rank higher than Singapore and Hong Kong, and well ahead of Japan and Switzerland among the five most competitive economies.[1]

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[1] The World Competitiveness Report, published by the World Economic Forum, Geneva, Switzerland, 1995.

AVIATION IS ONE OF OUR MOST COMPETITIVE INDUSTRIES

Aviation is one of our nation's most competitive industries ... well ahead of other countries in responding to the realities of a global marketplace.

U.S. Aviation has already made many of the painful changes that others are just now struggling to make. (Deregulation, new management techniques, tight control over costs.)

U.S. GOVERNMENT POLICY AIDS COMPETITIVENESS

Today's economic environment of **low inflation** and **low interest rates** has nurtured a period of stable, cumulative, sustainable growth.

The **job growth rate** is the best it has been in a decade.

This rebound has been the single most powerful factor in assisting the aviation industry's own recovery.

But there is more to the story. The industry is benefiting from government policies designed to promote the long-term growth of the aviation sector, both domestically and in the global market.

SETTING THE STAGE FOR THE TURN-AROUND

Presidential Involvement. President Clinton took office during the darkest days of the industry.

Morale was low everywhere. Within a few weeks of his inauguration, the President visited the Boeing plant in Everett, Washington, where he spoke about his concern over massive job losses in aircraft manufacturing.

Airline Commission. The Administration quickly pushed for the creation of the Airline Commission and just as quickly began to put its recommendations to work. To date, we have acted on over 80 percent of them ... ranging from speeding up the deployment of GPS to liability reform for general aviation.[2]

Now, some 20 months later, revenues, traffic, and load factors are all up. And confidence is restored.

Airlines are reporting **record profits**, and the aerospace industry is seeing an upturn in orders.

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[2]Secretary Peña, FY 1995 Forecast Conference, 3/3/95, page 2.

NO TIME TO RELAX

Better times for the industry does not mean that we can relax our efforts.

Continuing Progress. Secretary Peña and I both have a clear understanding of what we must do to prepare for the future demands of American aviation.

Today I'd like to give you a progress report on what we've achieved so far, and what we expect to accomplish in the months ahead.

GETTING AIR TRAFFIC MODERNIZATION BACK ON TRACK.

- **AAS.** At the start of the Clinton Administration, the FAA's program for modernizing its air traffic control system was suffering from major delays, substantial cost overruns and management oversight problems.

  Shortly after I arrived at the agency, I ordered an intensive review, analysis, and overhaul of the program. It was completely restructured and a **new management team** was brought in.

The modernization program is now back on track and costs are under control. This corrective action **saved the taxpayers** an estimated **$1.6 billion.**

- **DSR.** Our analysis of alternative approaches to modernization yielded an added bonus this summer: we saw a way to provide **temporary computer replacements** for the aging systems at five key air traffic control centers. Without this short-term relief, we faced the prospect of continuing system interruptions.

EXPEDITING THE TRANSITION TO SATELLITE NAVIGATION

- **GPS.** The FAA is also moving quickly to make the shift to satellite-based navigation. We have approved GPS for supplemental navigation in our domestic airspace, for primary navigation over the oceans, and for non-precision approach guidance.

- **WAAS.** The Agency is currently developing a Wide-Area Augmentation System which will enhance GPS signals throughout the U.S. This will allow pilots to use the GPS for precision approaches to airports.

The initial design and procurement work on a greatly **accelerated timetable**, cutting over a year from the time normally spent on such an effort. Early deployment of this system in the late 1990s will save airlines hundreds of millions of dollars annually because they can use more fuel-efficient routes.

- **GPS Benefits.** The potential value of GPS was apparent from the very start ... not only for civil aviation but for all forms of transportation. The U.S. is the world leader in this technology, helping to create a $30 billion industry which will generate thousands of American jobs.

FREE FLIGHT

- **National Route Program.** The FAA also launched the National Route Program, which allows airlines to follow much more direct routes from origin to destination.

  The program is gradually expanding, allowing the carriers to cut millions of dollars of operating costs ... safely and efficiently.

  We will ultimately have the capability to allow operators to select their own path and speed in real time – what we call "Free Flight".

IMPROVING AIRPORT CAPACITY

- **Operational Efficiency**. All of these programs are designed to reduce costly delays. We're constantly looking for ways to eliminate bottlenecks. Last year, we were able to significantly reduce delays around a number of our major airports, including **Philadelphia and Newark** -- just by scrapping unnecessary air traffic restrictions.

- **Denver Airport.** And the opening of Denver International has already had a measurable effect in reducing delays -- not only at that airport -- but at airports with flights which either originate in Denver or are Denver-bound.

  Denver International significantly eases congestion in the national airspace. For one of the major causes of delay ... and one which will grow in severity in the immediate future ... is inadequate airport capacity.

- **AIP Funding.** This Administration has been an aggressive sponsor of airport development through the Airport Improvement Program. We've awarded grants to build more than 115 new runways, over 150 runway extensions, as well as grants to strengthen airport security and reduce noise. Altogether, 1,370 different airports have received funds totally more than $4.3 billion.

- **PFCs.** Add to that the billions of dollars airports receive from the passenger facility charges, and you get a clear indication of the importance of airport investment to the Clinton Administration.

AIR TRAFFIC CONTROL CORPORATION

- Modernizing ATC is enormously expensive. Technological advances means the job never ends. The Clinton Administration proposal for an ATC corporation is a well-conceived, far-sighted response to the problems of funding, acquisition, and personnel management.

[TRANSITION: Building infrastructure is one of the essential jobs of government. Regulation is another. The FAA recognizes that effective regulation is more than writing new ones. It also means constantly looking for those which need to be revised or eliminated.]

REDUCING THE REGULATORY BURDEN WHILE MAINTAINING SAFETY

The issue is easy to frame. How can the government make regulation more sensible, more carefully considered, more consensus-based, less intrusive and less costly?

- **Hate a Reg.** In January 1994, the FAA asked the public to identify the three regulations that could be eliminated or amended without affecting public safety or security. We received 426 recommendations from 184 respondents.

  Most came from general aviation. (Top three: Medical certification requirements; biennial flight review, aircraft annual inspections.)

- **Challenge 2000 Review.** The FAA has hired a leading management consulting firm, (Booz-Allen & Hamilton) to conduct a thorough review of the Agency's regulation and certification policies and procedures.

  The results of the Challenge 2000 Review, will be available by the end of the year.

[TRANSITION: This top-down evaluation of our regulatory approach reflects our overall policy of creating more room for the industry to innovate and expand ... so long as safety is never compromised. Business is already gaining from a number of initiatives intended to remove artificial barriers and arbitrary restraints.]

BOLSTERING INTERNATIONAL TRADE AND COMPETITIVENESS

- **Opening New Markets.** The open skies agreement with **Canada** has already led to a 25 percent increase in air travel between our two countries.

  The successful negotiation of open skies agreements with **nine western European countries** is an important step toward liberalizing the once highly protected trans-Atlantic market.

  The close cooperation between the FAA and **Russian** aviation authorities last year produced a 612 percent increase in trade and commerce between Alaska and the Russian Far East. It has also made possible shorter, more cost-effective air routes connecting North America and Asia.

- **Support of U.S. industry abroad.**

  Under President Clinton, the U.S. government has played the most active role ever in promoting our aerospace industry.

  Saudi Aircraft Sale. We sent a high-level trade mission to Saudi Arabia to argue the case for Boeing and McDonnell Douglas. Secretary Peña has done much to acquaint transportation officials from around the world with U.S. aerospace technology.

  Technology Sales. We've contributed to negotiations which have helped a number of U.S. companies become stronger international competitors. American firms are installing new air traffic control systems and building new airports in Asia.

- **Harmonization.** Another important help to our aircraft industry is the FAA's efforts to harmonize regulatory requirements for aircraft certification. Consistent worldwide standards will save U.S. plane makers millions of dollars in certification costs as they try to compete in overseas markets. We've been especially successful in our collaboration with the European Joint Aviation Authorities.

[TRANSITION: Standardization is not only important to aircraft makers. It is a critical issue in aviation safety. Today's air travelers demand one level of safety, regardless of whether they are flying on a small commuter plane in the Midwest or a code-sharing carrier overseas.]

MAINTAINING PUBLIC CONFIDENCE IN AVIATION SAFETY

- **Zero Accidents.** This goal requires new approaches, worked out in partnership with the industry.

  The Safety Summit this past January agreed on a framework and identified most critical issues.

- **Commuter Safety Rule.** This broad initiative will upgrade the safety standards for commuter airlines to the same levels as those for major carriers.

  FAA/DOT produced a Notice of Proposed Rulemaking (NPRM) for this complex set of regulations in 100 days ... **faster than any major NPRM** in the past. The rules cover many commuter airline functions, such as pilot training, dispatching capabilities, and emergency handling.

  We set ourself a **one year goal** (from last December) to put this final rule into place.

FAST TRACK REGULATORY ACTIONS

We are speeding up action on our top five rule-making initiatives.

- **Air carrier training:** Uniform standards for testing and training crews for all commercial operations of aircraft with more than 10 seats. Final rule: October

- **Simulators:** Allows the use of advanced simulators to improve crew training. Final rule: September

- **Commuter plane certification:** Harmonization of certification regs will ensure that all small and commuter category planes manufactured in the U.S. and Europe meet the same strict safety requirements. Finale rule: December

- **Flight and duty times.** Studies by the FAA's Aeromedical Institute and NASA pointed to dangers of fatigue. New rule limits duty time for flight attendants; will propose rule for pilots. NPRM: November

- **Flight data recorders:** NPRM: December

WE ARE BUSY ON SEVERAL OTHER FRONTS

- **Seat belts.** This is a public education campaign to encourage passengers to use seat belts throughout a flight.

- **Safety of foreign carriers.** The FAA performs safety assessments of foreign carriers serving the U.S. and makes this information available to the public. ICAO is following our lead and starting a similar program.

- **Voluntary accreditation of parts suppliers.** Industry to set up self-policing accreditation system for parts distributors and dealers. Each year, 26 million aircraft parts are replaced. Surveillance on this scale is impossible for FAA acting alone.

MEDIA MAY GIVE SOME A FALSE IMPRESSION

The media coverage of the FAA may give some people the false impression that the FAA has to be prodded into action.

- **95 percent** of the FAA's work in safety is proactive.

- More than **90 percent** of our most recent airworthiness directives originated **inside** the Agency.

- We conduct **400 thousand safety inspections** each year.

The fact that this essential service attracts so little outside attention is a measure of its effectiveness.

[TRANSITION: Preserving public confidence in the safety of air travel is the single most important contribution the FAA and the federal government can make to the long-term growth of the aviation industry. It is our paramount responsibility and primary challenge.]

CONCLUSION: THIS ADMINISTRATION BELIEVES IN AVIATION ... AND THE ROLE OF GOVERNMENT

- The Clinton Administration has recognized the critical importance of aviation to the U.S. economy.

- The Clinton Administration believes that government has a role in promoting a financially strong, competitive industry.

- We have promoted policies designed to eliminate barriers to future growth ...

  – by maintaining public confidence in the safety of air travel,

  -- investing in airports and a modern air traffic control system,

  – reforming the regulatory process to bring it into the 21st century,

  -- and by opening up new markets around the world for America's airlines and aircraft manufacturers.

- At a time when governments all over the world are jealously protective of their own aviation interests, the Clinton Administration has mounted a strong, hands-on defense of this industry of which we are all a part.

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MAKING THE FAA A MODEL WORKPLACE

"BUILDING BRIDGES TO THE 21ST CENTURY"

THE HONORABLE DAVID R. HINSON, ADMINISTRATOR
FEDERAL AVIATION ADMINISTRATION
NATIONAL BLACK COALITION OF FEDERAL AVIATION EMPLOYEES
CHICAGO, IL SEPTEMBER 18, 1996

Thank you, Evelyn, for that warm introduction and for inviting me to take part in your training conference. And thanks also to Frank Black, Coalition president here in the Great Lakes Region, for his support and hospitality.

I'd like to congratulate the Coalition on your 20-year anniversary, and for all your accomplishments on behalf of African Americans in the FAA.

For the past 20 years, we have looked to the National Black Coalition as a forum where values are reaffirmed, choices clarified, priorities debated, and where, above all, hope for a brighter future is kept alive.

Evelyn Washington has provided inspiration and leadership through ten of those years. She has been one of the most effective advocates in promoting wider opportunities for African Americans in public service.

You and I know that progress in diversity demands leadership at the top. I have tried to demonstrate, through word and action, that our commitment to diversity is not just an exercise in political correctness -- but an expression of our genuine conviction.

We recognize that a productive work environment depends on trust, and trust depends on fairness. A commitment to diversity, in the final analysis, is a promise to be fair.

That is a promise we have made to everyone in this room today and to everyone who works in the FAA. It is a promise that every manager at every level of the organization is held accountable for keeping.

I see a number of our senior managers in the audience. And more will be joining us as the meeting progresses. They are here because they, too, believe in the promise.

We have a lot to talk about this morning. Thus far, 1996 has been a challenging year for the FAA, and I'd like to try to put that in perspective. Next, I'll review where we stand on the new personnel and acquisition systems, and fill you in on the critical issue of FAA funding. Then, before I close, I will say a few words about our goal to make the FAA a model workplace and the best in government.

Events that shaped 1996

You don't need to be told that the FAA is having a rough year -- one marred by tragedy and misfortune. Two major air disasters have shocked and saddened the nation.

These stories dominated the headlines for days on end, and, inevitably, raised questions about how well the FAA was doing its job. We all realize we work in an agency where there is -- and needs to be -- zero tolerance for accidents.

As tragic as these events were, we must not allow them to diminish our justifiable pride in our work, or to undermine our confidence in what we have achieved.

But the fact that we are exposed to relentless scrutiny means that we must never relax our vigilance -- nor fall behind in our efforts to improve the quality of our work and the skills of our workforce.

Ninety days ago, I asked Deputy Administrator Linda Daschle to lead a team to once again ask ourselves the question: is there more we need to do, today, to improve the safety of the aviation system? We focused our efforts on how effectively the FAA deploys its resources in overseeing airlines and responding to changes in the airline industry.

We will soon be making our recommendations public, and I believe that these actions will help us target our resources more strategically, and enable us to respond more quickly to the changing safety needs of the industry.

Throughout these 90 days, once again, I have been deeply impressed by the dedication and talent of our workforce. Given the flexibility and resources needed to do the job, we can achieve the safety goals we have set for ourselves and for which the public demands our complete success.

President Clinton also asked Vice President Gore to assemble a Commission to look at aviation security, safety, and air traffic control modernization. To date the efforts have focused on security; we are encouraged that the Commission is seeking new resources for FAA to combat terrorism. We are confident that their review of safety and ATC issues, likewise, will help our reform initiatives.

Acquisition and Personnel Reform: A six-month update

It's been six months since FAA initiated what was probably the most significant change in its 38-year history: we completely rewrote our acquisition and personnel systems.

Say you wanted to acquire a piece of new equipment. You would have to comply with rules contained in an 7-foot high stack of 233 acquisition documents.

• On April 1st, that stack was cut back to one-inch -- a 99 percent reduction

Eventually, we expect the new acquisition management system to cut the time and cost of acquiring systems and services *in half:*

• And we expect to reduce the time from production award to field commissioning of equipment by *fifty percent*

Under the old system, it could take seven years, or more, to field a major system like a Doppler weather radar. Until we purchase something comparable, we won't know if the new process delivers as well as we hope.

We have good reason to believe it will. After we terminated the Wide Area Augmentation System contract this spring, we were able to initiate a new contract in five days. The STARS contract award -- our nearly $1 billion ATC modernization program for terminals -- was completed in half the time. Before reform, such action would have taken months or years ... if it could be done at all.

On the personnel side, we cut more than a 1,000 pages of personnel regulations down to a 41-page manual. It used to take us seven months to hire a person from the outside. Now it takes about six weeks. It used to take three months to transfer or promote someone. Now it takes four weeks or less.

- We've eliminated artificial time-in-grade restrictions. If you can do the job, you'll get the pay.

We will put the right people in the right jobs. We will reward high performers; we will remove poor ones. We will make a substantial investment in the education and training of our people. And we will hold managers accountable for achieving the diversity goals we have established.

The message will be clear. More will be expected of FAA's men and women, but in return they can expect fair compensation, fair treatment, a positive work environment, and an employer willing to invest the time and money to make their career a meaningful and productive one.

The new personnel system gave us the flexibility we needed to compensate employees more fairly for their work. We are going to move slowly and make certain that we do it right. But we all must remember that with this new found flexibility comes accountability.

These are bold changes ... perhaps even a bit scary to some. We said when the reforms were announced that there were still details to be worked out. There are. We will again be turning to the Coalition to join us at the table, to roll up your sleeves to work with us in doing this right.

For the first time in the history of the FAA, we can create a work environment to our specifications. And we have the freedom to make and remake that environment until reality matches our ideals.

But now is not the time for passive indifference. It is a time to commit ourselves to the success of this exciting opportunity to make the FAA a model federal workplace.

Finance Reform

Acquisition and personnel reforms are of historic importance to all of us. The third and final reform initiative ... a new and better way to finance the FAA ... is still unresolved.

Unfortunately, last year's legislation stopped short of financial reform. And in this drive to a federal balanced budget, without financial reform, the demands of a balanced budget will almost surely impact the FAA in a major way.

That's not just my belief, but also the views of the General Accounting Office, the Senate and House Budget Committee Chairman, the Senate Appropriations Chairman and the Senate Aviation Chairman.

All agree that transportation programs will be dramatically reduced. And they all agree that we must figure out a constructive way to address this situation.

And even though the trust fund taxes have been extended after a lapse of about eight months, they are due to expire again at the end of December. With this on-again off again situation, it is clear to me and I hope you, that this current financing arrangement is unacceptable. We must take more dramatic action.

Fortunately, we are making great progress in Congress to address this situation. In the Senate, the Clinton Administration, in cooperation with Senators John McCain, Wendall Ford, Ernest Hollings, and Ted Stevens have developed a bipartisan bill -- reported recently by the Senate Commerce Committee -- that would greatly reduce our long-term dilemma with respect to financing.

The bill's goals are simple:

- to provide a financial structure for the FAA so it will be able to support the future growth in the aviation industry

- to ensure funding is dedicated solely to the use of the FAA and not subject to the constraints of a balanced federal budget

- to require users who today benefit from FAA services but don't pay, to now pay their fair share

- to achieve a more efficient and effective FAA

This compromise is a variation on legislation originally developed by Senators McCain and Ford -- and supported by the Administration -- that required FAA to submit a cost-based user fee proposal for Congressional review. The user fees would go into effect unless Congress explicitly voted them down.

This proposal proved to be highly controversial, especially since opponents of meaningful reform argued that we had not fully considered all other alternatives.

So the compromise bill -- reported by the Senate Commerce Committee -- and scheduled to be considered in the Senate this week, requires an independent task force to submit a report and recommendations to the Secretary of Transportation as to the best financing alternative for the agency.

The Secretary then has the option of submitting the task force's proposal or another legislative proposal to Congress. This legislation must be submitted to Congress one year after enactment of this bill.

Our key Congressional committees must then act upon this proposal within 45 days or the proposal automatically goes to the Senate and House floor for a vote.

In any case -- at the end of the day -- Congress must act to guarantee the future financial security of the agency, or explain to the American people why they have failed at this task. We don't want to have the study simply sit on the shelf, gathering dust.

The House has moved forward with a similar solution. Before Congress adjourns, they must send this bill to the President.

I, of course, want immediate action, but it is a critical first step to recognize that the usual way of financing the agency won't cut it. It is my hope that this process will help build a needed consensus within the aviation industry on how best to fund FAA's critical safety, security, and operational activities.

And at its heart, it has the same overriding goal as the original McCain-Ford legislation: no more budget shenanigans, but instead a steady, reliable, adequate source of funding for the FAA.

You can be assured that I have no reservations about defending the FAA's need for secure funding. It's my job. I believe in this agency, and I believe in what it does for the aviation community.

And, if we have adequate resources, I believe we will meet our safety commitment to the traveling public, to the American people, and to FAA employees, and continue to make progress on making FAA the best work environment in government.

But we are not waiting for finance reform -- we are moving forward on improving the quality of our work environment.

Later this month, you and every other FAA employee, will receive a copy of the agency's first-ever plan to integrate our programs for diversity, equal employment opportunity and affirmative action.

It is called the Model Work Environmental Plan. Fanny Rivera will tell you about it in detail. But the basic idea is to make sure that the full benefits of FAA personnel reform are passed on to all our employees. The main benefit must be a workplace which becomes more productive because it is more hospitable.

It is my hope that the plan we are putting in place will prove itself over the coming years -- creating a model workplace, free of strife, and full of opportunity for all.

We have opened a new channel for maintaining dialogue through the FAA National Employees' Forum. We established the forum to give you a means, through your coalition president, to voice your opinions and express your concerns about matters of fairness and equity.

There is reason to hope that the plan and the National Employees' Forum will advance the cause of diversity because our commitment to diversity has been severely tested in recent months -- and so far, it has survived.

It has survived the loss of 5,000 of our co-workers. I know there was a great deal of concern over the effects of downsizing on diversity. Linda Daschle and I said from the very beginning that minorities and women would not take a disproportionate hit. We have kept our word. Despite a 12 percent reduction in the work force, minorities and women lost no ground and, in fact, gained.

It has survived a politically-motivated attempt in Congress to abolish affirmative action and diversity training. FAA leadership stood its ground before Congress. And it is still here.

It has survived at a time when the agency itself has been shaken by misfortune. If our commitment to diversity was any less secure, it would have been shunted aside and overshadowed by events.

In the future, we are confident that the plan will survive because along with our commitment, we will be focusing on accountability. Accountability is the means by which we ensure things happen. It must be built at all levels on a consistent basis with obvious positive or negative consequences as appropriate.

We look forward to continuing to work with the Coalition. Conferences like this serve as a reality check on our progress.

Again, congratulations on your 20 year anniversary.

STATEMENT OF MR. DAVID HINSON
CHIEF DELEGATE OF THE UNITED STATES
31ST GENERAL ASSEMBLY
INTERNATIONAL CIVIL AVIATION ORGANIZATION
MONTREAL, CANADA
SEPTEMBER 19, 1995

On behalf of President Clinton, I wish to express our sincere appreciation to President Kotaite, Secretary General Rochat, and the members of the Council for the work they have accomplished since the last Assembly. I would also like to convey the warm thanks of all of us in the U.S. delegation to the Government of Canada, the Province of Quebec, and the people of Montreal for their gracious hospitality.

Last December, I had the honor to join President Kotaite and Secretary General Rochat in celebrating the 50th anniversary of the Chicago Convention and the founding of ICAO. With the benefit of hindsight, we realize that the Chicago Convention ranks as one of the most constructive international agreements of the post-war period. It was achieved because the delegates shared a common vision and a willingness to work together.

It is in this spirit that I would like to speak to you today. For the tasks before the delegates of this Assembly are as challenging as the ones confronted in 1944.

In the intervening decades, air travel has become indispensable to the global economy, and will continue to grow due to the expansion of world trade and the reduction of regulatory barriers. The number of world airline passengers is expected to double within a dozen years -- from one and a quarter billion passengers a year to two and a half billion. This, we are told, may require from 8 to 10 thousand new aircraft and a 40 percent increase in direct flights.

We should all welcome this new surge of growth and the economic opportunities it creates. But this expansion will only come if we act now to increase our ability to handle it with safety and efficiency.

We need to move on four fronts:

First, it is essential that all Member States adhere to uniformly high standards of safety. Those standards must continue to rise, and governments must have the capacity to monitor and enforce that progress.

The Council's decision to establish a program of safety oversight assessment will benefit everyone: civil aviation authorities, the air carriers, the passengers ... and ICAO itself. It is a step that will contribute significantly to safety and reinforce the leadership of this organization. The U.S. is prepared to work with ICAO and lend experienced personnel to assist ICAO as it takes on this important new responsibility.

We also take special note of the considerable progress being made toward achieving the ICAO goal of complete smoking bans on international flights by July 1, 1996. The United States has vigorously pursued this goal, and is particularly pleased to have joined with Australia and Canada in signing an agreement to ban smoking on flights between our three countries. We urge the Assembly to stay the course in order to enhance aviation safety and reduce the risk of adverse health effects.

Second, there is an urgent need to enlarge total airport capacity. Where we cannot build new airports, we must find ways to expand and better utilize those which already exist. I am pleased that we have opened Denver International Airport and that many airports are being planned worldwide. We must continue if we are to keep pace with industry demands.

Third, we must have air traffic control systems that can move greater numbers of aircraft ... seamlessly, safely and efficiently. The blueprint is the C-N-S A-T-M concept adopted by ICAO. We need to move ahead with the global plan to put these systems in place.

Among recent milestones, two deserve special mention.

One is ICAO's acceptance of the U.S. offer to use the standard positioning service of GPS as a component of the global navigation satellite system envisioned by FANS. President Clinton underscored our nation's commitment to the international aviation community in a message to ICAO delegates at the Special Communications and Operations meeting last March.

The second achievement is a resolution of the debate among competing technologies for precision approach and landing. We now agree that we can devise a transition plan which can accommodate ILS, MLS, and satellite-based systems.

Our confidence in the fundamental soundness of satellite technology continues to grow.

We are using GPS today for supplemental navigation in our domestic airspace, for primary navigation over the oceans, and for non-precision approach guidance. We expect to begin using GPS ... enhanced with Wide Area Augmentation Systems ... for all phases of flight, down to Category One precision approaches, before the decade is out.

The tests we have completed over the past three years demonstrated, conclusively, that we can achieve Category Two and Category Three approach and landing accuracy with differential GPS. We are developing Local Area Augmentation Systems to meet these more demanding requirements.

Our plans are to make this capability available at U.S. airports early in the next decade. Until then, we will continue to meet Category Two and Three requirements with ILS. We do not foresee phasing out these systems until after 2010. And we fully intend to meet our international commitments in this process.

GPS is available now to improve safety and service throughout the world. Combined with other technologies such as Collision Avoidance, Ground Proximity Warning Systems, Data Link, and higher levels of automation, it vastly expands the possibilities that are open to us.

One of these is the flexibility to let the operators select their path and speed in real time. This concept, which we call "Free Flight", is available to some 13,000 flights a day in the higher reaches of our domestic airspace. Although still in its early developmental stages, we estimate that Free Flight saved our industry more than 40 million dollars last year.

Free Flight operations are scheduled to begin over the Pacific this Autumn with Qantas, Air New Zealand, United Airlines and perhaps other carriers equipped with FANS-1. Free Flight represents a fundamental shift for both the FAA and the user community. It is a major advance in the science of air traffic control and I urge all Member States to participate fully in the development of this concept.

The fourth point that I would like to address concerns the pressure on governments and international agencies everywhere to raise their levels of productivity and streamline operations. We call upon ICAO to rethink and refocus its priorities, reflecting carefully on those activities which count the most.

ICAO has the opportunity to examine the way it conducts its work so as to maintain leadership in international civil aviation in a rapidly growing and changing environment. The goal is an ICAO fully ready to meet the challenges of the next 50 years. We hope to work closely on this issue with other delegations.

The United States is calling for far greater restraint in the budgets of virtually all international organizations. Given the competing demands for very limited public resources, it is certain that we cannot continue contributing to multilateral agencies at the same level as in the past. ICAO is a stellar agency, but it cannot be exempt from these budget pressures. We intend to work with other delegations to achieve the adoption of a budget by consensus for the next triennium that reflects the current fiscal realities.

Most, if not all, of the Member States face budget limitations. Everywhere we find that rising demand is outpacing the growth of fiscal resources. Closer cooperation at the international level is one way to narrow this gap. The United States stands ready to work with ICAO to strengthen its vital role in promoting aviation safety and technological change.

Thank you very much.

DRAFT TALKING POINTS
LINDA HALL DASCHLE
FAA DEPUTY ADMINISTRATOR
SEPTEMBER 20, 1995
(Ms. Daschle has not had the opportunity to review and approve these remarks.)

- As we move to meet these critical challenges in modernizing the air traffic control system, we face some difficult hurdles. The largest hurdle pertains to consistent funding for the agency.

- We've already downsized considerably, cutting our annual budget by $600 million and reducing our work force by 5,000 employees over the past two years. As George Donohue will explain, we restructured our long-term modernization plan to get it back on track and on budget, while saving taxpayers $1.6 billion. We reorganized the agency to operate more like a business, eliminated layers of bureaucracy, and streamlined operations to increase productivity and accountability.

- The FAA already has trimmed the fat, but further cuts will attack the muscle we need to perform the vital services on which the safety and efficiency of our nation's aviation system depend.

- Because of the importance of the FAA's mission to the American people, the Clinton Administration supports full funding of the agency in FY 1996 and beyond. The Administration put forward a conservative but realistic budget for FY 1996 and stood by it throughout the congressional debate.

- Unfortunately, the FY 1996 Transportation Appropriations Conference Agreement makes severe cuts in FAA budgets for research and development, facilities and equipment, and operations.

- Cuts in funding mean cuts in essential services. For example, in FY 1996, the cuts proposed by Congress may require the FAA:
    - to reduce international aviation security at a time of heightened concern about possible terrorist activities;
    - to cut back plans to hire 261 more safety inspectors;
    - and to close non-instrument towers and flight service stations, which would reduce air traffic services for hundreds of communities across America and would affect the safety and efficiency of the air traffic system.

- The FAA will face some serious challenges in FY 1996, but much more severe problems are ahead of us in 1997-2002 under the Joint Budget Resolution adopted by Congress in July. By 2002, under the current scenario, FAA funding is projected to be down 14 percent, while passenger enplanements will have increased by 35 percent — to more than 800 million passengers annually.

- Cuts that severe could require the FAA to close air traffic control facilities in hundreds of communities across America, and to lay off 40 percent of its air traffic controllers and flight service technicians, and a third of its security force.

- This approaching crisis clearly underscores the need for a permanent solution to the FAA's funding dilemma — the kind of solution offered by the FAA reform bill recently introduced in the Senate by Senators McCain, Ford and Hollings and in the House by Congressman Bob Clement. For the FAA to continue to manage — safely and efficiently — the unprecedented growth in aviation, we need new tools and additional resources.

- This bill would accomplish three fundamental changes that would help the FAA continue to fulfill its mission. All of these improvements would help the agency solve current problems and avoid similar problems in the future.

    - **Procurement** reform would give the FAA the flexibility necessary to keep pace with advancing technologies and the ability to make acquisitions in a timely, cost-effective manner. Our ability to respond to the changing needs of the aviation industry and the safety demands of the American public would be greatly enhanced.

    - **Personnel** reform would give the FAA better tools to manage its highly skilled work force, to hold people accountable for actions and decisions, to compensate good work, to deal with poor performance, and to hire and place skilled people when and where we need them most.

    - **Financing** reform would allow the agency to plan and carry out long-term strategies and programs, and to be assured of adequate financing for critical improvements that are essential to the efficiency of the aviation system and the safety of the American public.

- The appropriations bill for FY 1996 does address some changes in personnel and procurement, but only fundamental change in all three areas can free the FAA from the crippling constraints of government bureaucracy. Only the kind of fundamental change provided by the McCain bill will make the FAA the kind of responsive, accountable and effective organization it must be to continue as the world leader in aviation safety and efficiency.

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TALKING POINTS FOR DAVID HINSON
ICAO DELEGATES' BREAKFAST
31ST GENERAL ASSEMBLY
MONTREAL, CANADA
SEPTEMBER 21, 1995

- **OPENING REMARKS**

Greet delegates and thank them for coming.

Introduce U.S. delegation (FAA staff Barry Valentine, Joan Bauerlein, George Donohue, Tony Broderick, Ron Morgan; Carol Carmody, U.S. Mission)

Explain next steps. (Brief remarks, then delegates are invited to ask questions. The FAA staff will help provide the answers.)

- **MAIN MESSAGE POINTS**

Four years ago the international aviation community recognized that existing ATC systems would not be adequate to handle the forecasted demand for air services in a rapidly changing global market.

The systems which had served us so well in the past were designed for another era -- before deregulation, before the proliferation of low cost carriers, before the advent of mass tourism, and before the emergence of air cargo as an important factor in the world economy.

The systems so critical to civil aviation are already struggling with the problems of managing congested airspace and crowded airports.

These problems can only worsen as air travel and transport continue to grow in the years ahead. They can't be solved by overhauling the old systems or building bigger versions.

The solution is re-invent air traffic control technology, starting with a fundamental re-thinking of what our future requirements are likely to be. How can we create a new approach to air traffic control which is safer, more efficient, and more affordable to handle the enormous growth in demand which we foresee?

And because we're already seeing the global integration of aviation, the new system must be seamless.

We are fortunate that at this point in aviation history -- when a totally new approach to ATC was becoming an urgent necessity -- three areas of advanced technology converged to provide a solution: Digital communications, higher levels of automation, and satellite navigation. Through the work of the FANS committee, we now have a global plan which will improve air traffic services for every nation.

-- The United States offered, and ICAO accepted, GPS as a component of the Global Navigation Satellite System envisioned by FANS.

-- The potential value of GPS to civil aviation was apparent from the very start. The case is so compelling that three U.S. presidents have strongly endorsed making GPS available for international civil aviation and other peaceful pursuits to all who want to use it. The United States has never wavered from this policy, and we have demonstrated our firm commitment by accelerating the transition to this technology.

o **GPS HIGHLIGHTS**

-- For the past two years, GPS has been available for supplemental navigation in the U.S. and for primary navigation on oceanic and remote routes.

-- More than 3,650 U.S. airports now have certified non-precision GPS approaches.

-- The GPS constellation of 24 satellites provides position information that is accurate within 100 meters.

-- For countries just now building an ATC infrastructure, or needing to expand what they have, GPS offers a low cost alternative to expensive ground systems. It is available now. All that is needed to use it is a certified receiver and the approach procedures.

-- The basic GPS signals have tremendous utility, not only for aviation, but for all forms of transportation and other applications as well. But they are not adequate, by themselves, to support precision approach or primary navigation in crowded airspace.

-- The FAA is pursuing two augmentation systems:

Wide Area Augmentation for primary navigation in all phases of flight down through Category I precision approach.

Local Area Augmentation for Category II and III precision approach.

-- WAAS. Early last month, the FAA contracted with Wilcox Electric to build the first Wide Area Augmentation System. WAAS improves the accuracy of the basic signal to within 7 meters.

The contract calls for a network of 35 ground stations installed across the United States. These stations receive signals from the GPS satellites and report any variations. The entire process, from GPS satellite ... to WAAS ... and then to the pilot ... takes less than 6 seconds.

THIS SHORT VIDEO PROVIDES AN EXCELLENT OVERVIEW OF HOW THE SYSTEM WORKS.

(PAUSE HERE AND SHOW VIDEO -- APPROXIMATELY 5 MINUTES)

-- Anyone who would like a copy of this video can pick one up from the display table as we leave. They are available in French, Spanish, Chinese, or English.

WAAS will be complemented by a second augmentation system.
-- LAAS. Since the last General Assembly, the FAA has completed more than 400 successful autolands in all sizes of aircraft. These test show, conclusively, that Category II and III approach and landing accuracy can be achieved with differential GPS. Local area systems are being developed to augment the basic signal to meet these more demanding requirements.

Target Dates: GPS Category I precision approaches in 1998.
First GPS Category II/III in 2001.
All Category II/III by 2005.

o **BENEFITS**

The three components of CNS/ATM -- satellite navigation, digital data link communications, and automation -- work together to:

1) Add capacity to increasingly congested airports and airspace
2) Make available highly sophisticated ATC infrastructure at significant less cost
3) Enhance the safety of air travel, and
4) Allow users to save money by fly more direct, fuel efficient routes.

The response to Free Flight has been overwhelmingly supportive. In January, for example, only 700 flights a day were eligible to participate in the program. Today, some 13,000 flights a day flying at or above 33,000 feet are eligible to participate.

o **CONCLUSION.**

This enthusiasm shows that the industry is ready for major innovations in air traffic control technology. The global system envisioned by FANS represents such an advance. It is an investment in the future of aviation.

Acting to expand air services is one of the best, most cost-effective steps that any government can take to benefit its own people. The benefits quickly pass through to the entire economy, and they multiply.

GPS is available now to improve safety and service throughout the world. I encourage you to learn about and take advantage of this remarkable technology.

We have brought some displays with us that I invite you to visit. Now, if you have any questions for me or my colleagues, we will do our best to answer them.

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Talking Points Prepared for
David R. Hinson, Administrator
Federal Aviation Administration
Gulfstream-V Rollout Ceremony
September 22, 1995

- I am delighted to be a part of this celebration, and it is certainly an honor to follow Governor Zell Miller (Governor of Georgia) on the program.

- Although the Gulfstream-V might look like the same old Gulfstream-IV, there's a lot new under the skin, both in the improved capability of the airplane and in how the certification program was managed.

- The FAA gave Gulfstream a great deal of latitude in developing this airplane under an expanded authority for FAA designees. Gulfstream management has demonstrated a willingness to go the extra mile to assure the quality of the product and has worked well with the FAA in administering the expanded authority.

- Now comes the hard part, or perhaps the fun part, as you put the airplane through its paces and show that you have met and exceeded FAA minimum requirements in all aspects of the airplane's design, manufacture, and operation.

- We look forward to working with Gulfstream throughout the final certification process, and I am confident that you will produce a safe airplane that we can all be proud of.

- Gulfstream is one of our most highly valued industry partners, and I know this aircraft will usher in a new era of Gulfstream success. Congratulations.

Remarks for David R. Hinson
Administrator, Federal Aviation Administration
Americas Conference on Aviation
Miami, Florida, September 24, 1996

Aviation in the Americas: Building Partnerships for Safety and Growth

Thank you, Luis[1].

On behalf of the FAA, I want to welcome all of you to the first Americas Conference on Aviation. I am especially glad to see so many of the Directors General from Latin America and the Caribbean with us today. I appreciate your coming.

I also want to thank Director Gary Dellapa of the Metro-Dade County Aviation Department, TDA Director Joe Grandmaison, and the dozen or more industry sponsors who shared in the preparations for this conference.

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[1] Master of Ceremonies Louis Lauredo is Director, Consulting Group, Greenberg Traurig Law Firm.

It would be hard to find a more impressive -- or more knowledgeable -- group of speakers than those you will be hearing over the next four days. I want to thank all our speakers for their participation.

We will be joined at lunch today by Secretary Federico Peña. No person has worked harder than Secretary Peña to advance aviation -- not only in the United States -- but around the world.

- **The convergence of cooperation and coordination**

One purpose of this conference is to build upon our already strong partnerships.

Altogether, we have 105 technical assistance agreements aimed at improving the safety of air travel and the quality of service in the 34 countries of the Americas and its territories.

Many of these agreements are narrow in their scope, intended to meet local needs and specific requirements. But viewed collectively, they fit into a larger pattern. They head us in the same direction because they share common long-range goals.

- **The goals of our collaborative ventures**

Today, I would like to talk a bit about two of the goals which are implicit in our many collaborative ventures.

One is the goal to build a seamless air traffic control system from one end of the hemisphere to the other ... from the Arctic Circle to Tierra Del Fuego.

The second goal is to provide uniformly high levels of safety for all commercial air travelers ... wherever they choose to fly ... and whatever their choice of airline.

Both goals are at the end of clearly marked paths. One path leads to the satellite-based future air navigation system, as defined by the international working group and adopted by ICAO members.

The second path leads to compliance with the standards and recommended procedures established by ICAO in accordance with the Chicago Convention.

It is clear from both goals that aviation is converging toward a single set of international standards. Every nation is destined to become fully integrated within the global system that is emerging.

This conference gives us an opportunity to make sure that our progress does not falter -- that we keep pace with what is happening elsewhere in the world aviation community.

- **Air travel in Latin America is surging**

Aviation shares a common characteristic, regardless of country or continent. That is the surge in growth which is already underway, and which every forecast predicts will continue into the next century.

To measure the magnitude of this growth in Latin America, we don't have to look any farther than Miami.

In the past year, over sixteen and a half million passengers boarded flights at Miami International Airport ... 44 percent more than just five years ago. Nearly 5 million -- or fully one-third of all passengers departing Miami Airport -- were bound for destinations in Latin America and the Caribbean[2].

And what is happening here at Miami is being repeated at airports all across the United States.

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[2] Miami International Airport reports that between July 1, 1995 and June 30, 1996, passenger enplanements totaled 16.6 million. This included 7.2 million international enplanements, of which 36 percent (2.6 million) were bound for South America and 31 percent (2.2 million) were bound for the Caribbean. MIA reports that it enplaned 10.4 million passengers in 1990, 13.2 in 1992, and 14.4 million in 1995. Source: MIA Homepage, www, and MIA Marketing & Communications Division, 9/16/96.

In just three years time, Latin America has become the number one destination of travelers from the United States.[3]

Of the 48 million passengers taking international flights on U.S. airlines in 1995, over 18 million were traveling to Latin America. We expect this number will double within a dozen years.[4]

In its latest passenger forecast, ICAO estimated that growth in Latin America and the Caribbean over the next two years could be as high as seven percent.

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[3] Derived by comparing FAA Aviation Forecasts for Fiscal Years 1993-2004 (p. III-40) to Fiscal Years 1996 to 2007 (p. III-38).

[4] FAA Aviation Forecasts, Fiscal Years 1996-2007, page III-38, March 1996

We welcome this new surge of growth and the economic opportunities it creates. But this expansion will only come if we act now to increase our ability to handle it with safety and efficiency.

Fortunately, this period of rapid growth coincides with a major advance in the science of air traffic management.

This breakthrough is not just theoretical but practical. GPS and other innovative technologies are already being deployed in the field to increase efficiency and add an extra margin of safety.

- **The transition to satellite navigation has begun in earnest**

Two years ago, ICAO accepted the U.S. offer to use GPS as a component of the Future Air Navigation System which the international community has endorsed.

So far, 17 countries have accepted our offer and approval is pending in three others. The largest number of users, -- nine in all -- are in Latin America.

As of last week, Mexico, Argentina, Brazil, Chile, Costa Rica, Panama, Peru, and Uruguay have all approved GPS for supplemental navigation in their airspace. Bolivia has its process well underway.

- **President Clinton's decision on GPS: the strongest possible assurance**

The United States has promised to make GPS continuously available worldwide, without charge for the foreseeable future.

This decision, announced at the White House on March 29th, is the strongest possible assurance of long-term access to GPS for every type of civilian use.

It underscores that GPS is already, in fact, a global utility. Like the Internet, it is becoming an integral part of the worldwide information infrastructure -- with applications ranging from mapping and surveying to all modes of transportation.

I have said many times that satellite navigation will be as important in the next century as radar was fifty years ago. No other technology that we can foresee offers greater promise.

Countries needing to upgrade their infrastructure can leapfrog to a sophisticated air traffic control system, at a fraction of the cost of conventional ground systems.

A recent study performed for the Dutch government[5] found that non-precision approaches are five times riskier than precision approaches. In some regions of the world, the risk is eight times greater.

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[5] "Precision Approaches Crucial to Landing Safely, Study Shows," Aviation Daily, May 14, 1996, Article 51991.

I know this has been a long-standing concern in many areas of the Americas, where high mountains and rugged terrain have made it virtually impossible to take advantage of precision aids.

As the Dutch study points out, GPS promises solutions to the cost and siting problems associated with conventional ground-based equipment.

- **The GPS transition plan for the U.S.**

Six weeks ago, I approved a plan for transitioning to GPS in the United States. Within five years, we expect to begin the transition from ILS to GPS in our domestic airspace.

Under our present timetable, we will start phasing out Category I ILS in 2005. We will decommission our Category II and III ILS's, most likely, around 2010.

The United States began using GPS in early 1994. Our first step was to authorize the use of GPS for supplemental navigation within our airspace and for non-precision approach guidance.

There are now over 25 hundred airports in the United States that offer this capability. Until GPS became available, many of these airports had no navigational aids for approach and landing.

About 20 months ago, I authorized the use of GPS for primary navigation over the oceans. There are now about 50 Boeing 747-400s --flying routes over the South Pacific -- that are equipped with the FANS package of avionics for GPS navigation, data link communications, and automation.

Boeing will be installing FANS packages on the Triple-7, the 757, and the 767. FANS upgrades for Airbus and McDonnell Douglas aircraft are also in development.

Alaska Airlines recently announced a 10 million dollar program to equip its fleet of 737s with an advanced avionics package which integrates GPS with the Ground Proximity Warning System.

The carrier provides service to many mountainous areas with low cloud cover and poor visibility -- terrain and weather similar to what we find in much of Latin America.

But before we can complete the transition to GPS, we must first build a network of ground stations to improve the accuracy of the satellite signals.

This is the Wide Area Augmentation Network which will allow us to rely completely upon GPS for domestic enroute and terminal navigation, as well as for approaches down to Category One minimums.

To be most effective, these ground stations need to be located 500 miles apart. The continental United States will be covered by this network. Stations will also be located in Canada and in Puerto Rico.

Now it is time to think of an expansion of this network to the south, linking Central and South America.

The future use of GPS worldwide will depend on its adoption by many sovereign states. The extent to which world aviation benefits from GPS is directly proportional to the number of states that approve its use for navigation with their airspace.

The larger the number of states using GPS, the greater the savings in time and fuel -- the greater the contribution to safety.

It is especially important that adjacent states adopt GPS within the same time frame, so that there are no gaps in the network of ground stations.

The value of GPS extends beyond navigation, as important as that is. Future communications and surveillance systems will base their position reporting on GPS derived information.

So any delay in approving GPS has widespread consequences. If a single state holds back its approval, there is a detrimental effect on its neighbors.

On matters of aviation policy, the fact of our technological inter-dependence must weigh heavily in the national decision-making process.

I have spent some time talking about GPS because we have found considerable interest among aviation professionals in Latin America.

The problems of the region -- increasingly crowded airspace, congested airports, treacherous terrain, and hazardous weather -- become more manageable when GPS and its related technologies are put in place.

- **Safety is our highest priority**

In the on-going dialogue between our organizations, no problem has a higher priority than safety. We are headed in the right direction, but we are in a race against time.

We know there are huge gains ahead in passenger traffic. Most forecasts agree that within the next 15 to 20 years, the number of passengers, worldwide, is expected to double ... from one and a quarter billion in 1995[6] (1.25 billion) to two and a half billion (2.5 billion).

Studies by the Boeing Commercial Airplane Group point out that by the year 2015, unless today's accident rate is improved even further, the number of fatal accidents, worldwide, will increase to one every 8 to 10 days.

How to keep this from happening is a cause for concern for civil aviation authorities around the world.

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[6] "Over one and a quarter billion passengers carried on airline scheduled service in 1995,", ICAO press release, December 1995 (PIO 16/95)

The problem is compounded by the fact that safety costs money. It requires its own infrastructure investment in people and practices.

And in a period of expansion when money is needed for airport construction, air traffic control facilities, and new aircraft -- there is a temptation to underfund anything that does not add directly to capacity.

- **The US/Latin America airport safety program**

Among our most active technical assistance programs in Latin America and the Caribbean has been one which costs relatively little but adds significantly to public safety.

For the past decade, the FAA and the Metro-Dade Aviation Department have worked with five countries in the Americas to improve firefighting and rescue capabilities at 18 airports. Four other countries have expressed their interest as well.

In each of these projects, the FAA has played a facilitating role -- bringing together the people and the resources required to conduct the evaluations, diagnose deficiencies, and carry out corrective action.

The Airport Safety Program relies not on coercion ... but on collaboration. Not on penalties ... but partnership.

Recently, ICAO has adopted a similar approach in establishing its safety oversight program. This is a major step in achieving one level of safety, not just in Latin America, but throughout the world.

We congratulate ICAO for assuming this difficult responsibility and have pledged resources to support this vital effort.

- **ICAO's Latin America Project**

Because the nature of the problems can differ from region to region, ICAO has encouraged the development of indigenous resources and local expertise.

ICAO's Latin America Project is one of the first to be established -- an effort which is being coordinated by Argentina, Brazil, Chile, and Panama, with the active support of the United States..

We expect that the effectiveness and efficiency of safety oversight will be multiplied by pooling knowledge and financial resources within the region.

- **Global Analysis and Information Network**

There can be nothing proprietary about information related to aviation safety. In an era of globalization, information becomes more valuable the more widely it is shared.

This is the rationale which led the United States to propose a system for sharing operational safety data on a worldwide scale. We're calling it the Global Analysis and Information Network -- or GAIN.

The first GAIN conference will convene in Boston this October and the Royal Aeronautical Society will host a conference this Spring in London to explore some of the main questions.

But the underlying premise can be clearly stated. Future advances in aviation safety will depend on the smarter use of data.

Yet we are neglecting the vast amounts of information which the industry collects every day as part of its routine operations throughout the world.

This is a valuable resource which is now largely untapped.

GAIN would make it available online to aviation safety researchers everywhere. The combination of enormous data bases and powerful analytic tools for detecting patterns and trends would provide the leverage we need to achieve a virtually zero-level of accidents in the next century.

Last week, the FAA and NASA announced that we are now testing an automated system which translates digital data from aircraft flight recorders into a form which can be more easily used for analysis.

Until now, data from flight recorders were only used to investigate accidents. With this new technology, we can use the data to prevent accidents.

- **Conclusion**

This morning I have discussed two goals that tie together the widely diverse technical assistance programs that are now active.

One is the building of a modern, efficient system of air traffic management capable of handling the enormous growth which is forecast for Latin America.

The second goal is achieving uniform standards of safety for air travelers flying within or between any of the nations represented here today.

Success in reaching these goals requires that we continue to expand our already high levels of coordination and cooperation. This conference is one means to this end.

But equally important is success in obtaining necessary funding for aviation infrastructure development.

The competition for these funds is very intense. It has been estimated that Latin America needs at least a billion dollars a week to maintain and expand basic infrastructure in all categories. About $14 billion a year is needed just for transportation projects. Aviation is only a part.[7]

[7] "Infrastructure in Latin America, Wanted: $1bn a week", Financial Times, September 13, 1996.

The FAA has joined with a number of international aviation organizations -- including ICAO -- to make the case that, in today's world, one of the most effective ways to stimulate a country's economy is to invest in its aviation infrastructure.

The International Development Bank has been receptive to this argument, and it is now up to all of us here today to fully explore the possibility.

The FAA would like to work with TDA Director Grandmaison and our counterparts throughout Latin America to develop a coordinated approach to the IDB and other multilateral financial institutions.

By pooling ideas and sharing expertise, we can develop projects that will convincingly demonstrate the link between a strong aviation sector and a growing economy.

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THE HONORABLE LINDA HALL DASCHLE
DEPUTY ADMINISTRATOR, FAA
FLIGHT STANDARDS STRATEGIC MANAGEMENT CONFERENCE
ARLINGTON, VIRGINIA
SEPTEMBER 25, 1996

Thank you for that warm welcome.

I've spent so much time with Flight Standards lately that I'm beginning to feel like part of the organization. This is one of the groups within the FAA that I've come to know the best.

I've always considered it an important part of my job to know what people out in the field are thinking about the important issues facing the FAA. I've not been able to get away from Washington as much as I'd hoped. But I have found other ways to open lines of communication.

At different times over the past three years or so, I've invited people in from the field to work in my office. Their job was to provide a reality check and a fresh perspective -- to help me keep my priorities straight and set a sensible course.

Of the four people I brought in, three were from Flight Standards. So I think I've received a good education on the problems that you have to deal with every day.

I know I have gained a great respect for the people of Flight Standards -- for your professionalism and integrity ... for your perfectionism in the pursuit of safety.

This has been a year when we could easily lose our perspective. The FAA has always been a high profile agency, but we've never had a year like 1996.

Two major air disasters dominated the headlines for days on end and, inevitably, raised questions about how well the FAA was doing its job.

As tragic as these events were, we must not allow them to diminish our justifiable pride in our work, or to undermine our confidence in what we have accomplished.

For while 1996 has been marred by tragedy and misfortune, it has also been a year of historic achievement. As the result of changes all of us are making together, the FAA is in the best position it has ever been to maintain the highest standards of air safety in the years ahead.

In April, we were given an opportunity available to no other federal agency -- to set up personnel and procurement policies which we can tailor to our own unique requirements.

The very next month, we were challenged to prove to a skeptical public that our newly-reformed agency could be trusted to oversee a vigorously competitive airline industry.

No aviation accident is ever routine. Each one prompts the FAA to take a tough look at its rules and procedures . But the ValuJet crash in May was unusual in the nature of the questions it brought to the public's attention. These were new issues which required new answers.

As you know, David Hinson asked me ninety days ago to lead an effort to find out what lessons the FAA should learn from the ValuJet experience. Last week, we completed our work and submitted our report.

I knew when I took on the assignment that we would need the most knowledgeable people in government and industry.

The task force consisted of some 50 individuals -- people with front-line, day-to-day responsibilities for safety and oversight. I invited a former chairman of the NTSB, Carl Vogt and PASS President Jack Johnson to sit on the executive steering committee.

The task force kept to a tight schedule. There was a lot of ground to cover in the 90 days we had to complete our mission. We surveyed 65 key individuals in government and industry for their views on the subject, and contacted 26 organizations.

When we had sifted through all these ideas, and debated their merits, we came up with a total of six major recommendations and more than 30 ancillary ones.

Let me just go over a few of the main points.

First of all, we will be increasing the number of safety inspectors. For fiscal year 1997, we plan to add 146 inspectors and 74 support staff. The year following, we expect to hire another 135 inspectors and 53 support staff. Personnel reform will make this a lot easier.

We'll now be able to set up a new inspector pay classification guide that will allow us to assign our top inspectors to the small, start-up carriers.

We will also set up a national certification team to assist local FAA field offices in processing airline certifications and conducting safety audits.

A third of our recommended priorities is to step-up the introduction of technology for information management. We have been developing new tools for some time now to give our inspectors the sophisticated and powerful computer support they need to handle growing workloads.

SPAS and OASIS are two very promising examples. We need to speed up the delivery of these technologies to the field, and provide the training so inspectors know how to get the most benefit out of these systems.

Another of the clear lessons learned from ValuJet is the importance of increased surveillance for newly certificated carriers during the first five years of operation.

We want to be certain that the carriers are devoting adequate resources to safety during this critical start-up period -- and that safety is not being short-changed by diverting resources to pay for expansion.

David Hinson has endorsed these recommendations, and we're drawing up a schedule for putting them into practice. Some will take effect immediately. Others will take a little longer.

In conducting this 90-day review, we took the advice of Vice President Gore: we sought ideas from the people who know the most about the problem.

We turned to the people who actually know what works and what doesn't. The Vice President's National Performance Review took that approach. So did our review of "lessons learned" from ValuJet.

In just a few minutes, PASS Vice President Jim Kelly and Dave Gilliom will lead a detailed discussion of the 90-day review.

Jim's participation here, along with Linda Goodrich and other PASS representatives, is, in itself, a statement of how far we in the FAA have come in our relationships with our unions and their leaders.

As Jack Johnson and so many others remember, it wasn't always this way. But with initiatives like Partnership for Safety, we are creating a new basis for cooperation and conciliation, information sharing, and problem solving.

Today, seven unions represent 62 percent of the total FAA workforce. And all our unions are represented on the National Labor-Management Partnership Council, which was chartered just this summer.

We expect a great deal from this new Partnership Council. If so much was accomplished working separately, we can do even more working together.

The progress that the FAA has made this year in setting a new direction would not have been possible without the support of our unions and their members.

Of all the lessons we've learned throughout the years, I believe one stands out above all others: that cooperation and mutual respect gets us through the worst of times and assures us the best of futures.

I thank you for having me here and I wish you a successful conference.

Remarks Prepared for
David R. Hinson, Administrator
Federal Aviation Administration
OCST Welcome
September 25, 1995

- Good Afternoon. I am delighted we have this chance to meet before OCST officially joins the FAA family next week.

- OCST's transfer to FAA makes good business sense. Your activities parallel most of ours. While the FAA oversees and regulates aircraft, you oversee and regulate space launch craft and spaceports.

- We really do share similar oversight functions. Our two lines of business probably will have greater overlap as the years go on. For example, commercial operators some day will start utilizing space shuttle type vehicles -- they fly like planes and can orbit the earth. The technology already exists.

- This is an exciting merger. Yours is a dynamic office -- I understand that this year U.S. commercial lift-offs could exceed the number of government launches in a single year.

- Business is booming for both of us. Air travel is also up.

- Unfortunately, we are both getting busier as our resources are getting smaller.

- That is the fundamental reason why OCST is joining the FAA team. We must start sharing resources and begin operating like an efficient business if we both are to succeed in this ever changing world of increasing demands and budgetary reductions.

- I think the FAA is well positioned to advance OCST's goals of ensuring safety, promoting the development of new markets an customers U.S. products, and maintaining U.S. technological leadership.

- We are a large organization with offices across the country and throughout the world. And, we are delighted to be able to share our resources with you.

- As you know, the transfer of OCST to FAA marks the beginning of the Department of Transportation's restructuring effort that was announced late last year.

- One goal of the restructuring is to create a smaller organization that operates more efficiently and with less duplication.

- I agree that it's time government operates more like a business, and, in fact, the FAA is ahead of the curve.

- We realize we have to do more with less, and have been at work since the beginning of the Clinton Administration to achieve that end. We are determined to be leaner than in the past, but still fulfill our obligations to the flying public.

- The staff reductions, budgetary constraints, and an ever growing demand for our services led to the reorganization I announced last year.

- At that time, we looked at the FAA organization much as a systems manager would. We needed a leaner organization that would run like a business and make managers more accountable.

- Hence, we restructured along our six key lines of business: Air Traffic, Research and Acquisitions, Regulation and Certification, Airports, Security and Administration, and on October 1, we add a seventh line of business -- you -- commercial space transport.

- We now have clear and separate accountability for regulatory and operational functions. This allows us to offer one-stop shopping to customers and ensures standard and consistent answers -- addressing two complaints we had heard regularly. The result: a FAA more responsive to the aviation community.

- As you are probably aware, the FAA is doing more than just reorganizing to meet Presidential and congressional downsizing initiatives.

- For example, while air traffic has grown more than 6 percent over the last two years, we've seen the FAA budget experience a real decline for the first time in more than a decade.

- A six percent drop. Six hundred million dollars.

- We've responded by eliminating technology programs that are no longer warranted -- such as the MLS program.

- We've overhauled other projects that were going to cost too much -- such as the Advanced Automation System.

- And, by the end of this fiscal year, we will have reduced our work force by more than 5,000 employees.

- I have been reporting to Congress and the press lately, about how proud I am that the FAA workforce has shrunk from approximately 52,000 people two years ago to 48,000 employees today. I will now proudly tell everyone that our workforce is up to 48,025.

- You've also gone through your own growing pains, and have adapted to this new era of shrinking budgets.

- My staff looks forward to meeting with you and learning more about how you approach business.

- In fact, FAA staffers will be meeting with those of you in the Licensing and Safety Division to learn more about your operation. It is my understanding that those interviews will start this week.

- I know OCST already operates like a smart business. Although small, you carry a lot of responsibilities.

- But, being smart sometimes isn't enough.

- We will face some serious budget challenges in FY 1996, but more severe problems are ahead of us in FY 1997-2002 if Congress adopts the funding levels outlined in the Joint Budget Resolution passed in July.

- Under the current scenario, by FY 1002, FAA funding will be down 14 percent, while enplanements will have increased by 35 percent.

- Cuts that severe could require the FAA to close air traffic control facilities in hundreds of communities across America, and to lay off 40 percent of its air traffic controllers and flight service technicians and a third of its security force.

- This approaching crisis clearly underscores the need for a permanent solution to the FAA's funding dilemma -- the kind of solution offered by the FAA reform bill recently introduced in the Senate by Senators McCain, Ford, and Hollings and in the House by Congressman Bob Clement.

- It is clear, that for the FAA to manage the unprecedented growth in aviation safely and efficiently we need new tools.

- It is this, more than anything, that has driven the Administration to find alternatives to allow FAA greater funding flexibility and control over its budget.

- The proposed bills would accomplish three fundamental changes that would help the FAA continue to fulfill its mission. All of these improvements would help the agency solve current problems and avoid similar problems in the future.

- For example, procurement reform would give the FAA the flexibility necessary to keep pace with advancing technologies and to response quickly to unexpected changes.

- Personnel reform would give the FAA better tools to manage its highly skilled work force, to hold people accountable for actions and decisions, to compensate good work, to deal with poor performance, and to hire and place skilled people when and where we need them the most.

- Financing reform would allow the agency to plan and carry out long-term strategies and programs, and to be assured of adequate financing for critical improvements that are essential to the efficiency of the aviation system and the safety of the American people.

- I think its clear to everyone that the FAA cannot continue to do business as usual. If we -- FAA and OCST -- are going to be ready to meet the challenges of the future, we need reform.

- And, I am delighted to note that we seem to have bipartisan support for the idea of FAA reform.

- Reform will allow the FAA, including its newest line of business, to do our job better.

- Again, I am delighted you will now be part of FAA. I think this merger will benefit us all. And, I look forward to working with you.

- Thank you.

Cancelled

REMARKS PREPARED FOR DAVID HINSON
NBAA ANNUAL MEETING AND CONVENTION
LAS VEGAS, NEVADA
September 28, 1995

Thank you, Allen (Lane)

NBAA has a lot to be proud of tonight.

This convention has grown into the world's largest gathering of business aviation leaders and the biggest exhibition of its kind.

Business aviation is, in its own right, one of this nation's premier industries and a source of high paying jobs.

And for many American companies, a corporate plane can make an important difference in productivity and access to the global market place. It is a measure of your success that the U.S. continues to rank first as the most competitive nation in the world.

I am told that more than 20,000 people visited this year's exhibits.

This turnout reflects renewed optimism in the economy – and in the business aviation sector.

This optimism can be credited, as well, to the General Aviation Revitalization Act which President Clinton signed last year.

No one worked harder on the product liability reform provision of this bill than Cessna Chairman Russ Meyer.

Preston Parish is another outstanding example of one who contributed his managerial strengths to the advancement of general aviation for nearly four decades.

Whether its gearing up to build small airplanes, rolling out the Gulfstream V, the all-new Learjet 45 ... business aviation is setting the pace for the entire aviation industry.

For all of us in aviation, safety is our number one priority. And business aviation has achieved a record that is among the best. The companies, departments, and individuals who received this year's NBAA Flight Safety awards are a reflection of the high standards of performance that we have come to expect from you.

The NBAA has long been a standard-setter for our industry, and the FAA values it as a partner in achieving higher levels of aviation excellence.

I would like to conclude by commending this year's winners of the NBAA Safety Awards.

I congratulate Pete Preston for his leadership and tireless support.

I salute my good friend Russ Meyer for his courage, his vision. and a lifetime of achievement.

I thank you for inviting me to join you this evening and I congratulate you once again on a most successful convention.

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