

Monte Belger, Acting Deputy Administrator
Federal Aviation Administration
Sun 'N Fun Air Show
Lakeland, FL
April 18, 1993

Introduction:

With all the doom and gloom one hears about General Aviation these days, it's reassuring to visit events like Sun 'N Fun where you still find people who fly just for the thrill of it. I suspect this is about as close to the grass roots of General Aviation as one can get.

But I didn't come here today to be a doom-and-gloomer. The last thing you need is someone like me raining on your parade.

G.A. Forecasts:

Besides, I really believe General Aviation has turned the corner and there are good reasons to be optimistic about the future. Let's make that "cautiously optimistic."

FAA's latest "Aviation Forecasts" show General Aviation rebounding in 1993 after an extended period of no growth or negative growth.

Of course, we're talking about very modest gains over the next 12 years. But, at least, the trend lines should be headed in the right direction.

Still, we need to remember that forecasts really are just best "guessimates," based on certain economic and political assumptions that may or may not come to pass.

So nothing is going to happen just because we say it will. Things must be made to happen.

New Washington Team:

That's why I'm encouraged by what I see of the new government team in Washington. Both the President and the Vice President are state-of-the-art people who seem to understand and appreciate the importance of aviation and space to the economic health of the nation.

In his State of the Union message, the President specifically mentioned aerospace as one of America's critical industries that merit "special attention" to ensure their continued viability and competitiveness.

Moreover, the new Administration has shown a willingness to back up its words with more money for infrastructure improvements as well as more money for R&D.

And you'll remember that the President made a special trip to Seattle just a month after his inauguration to tour the Boeing plant and meet with top aviation executives...

Ok, I'm sure you would have preferred that he had gone to Wichita first, but he had to start some place.

There was a lot of symbolism in the Seattle visit, as well as substance. I'm sure the message wasn't lost on our foreign competitors. That is, that the United States government plans to take a more activist role in supporting this nation's critical industries.

General Aviation Situation:

This policy applies to the General Aviation industry as well. Lord knows, G.A. needs all the help it can get. Over the past 15 years, we've seen the bottom drop out of the manufacturing side for a variety of reasons, most of which have a dollar sign in front of them.

The result is that the cost of new general aviation aircraft has skyrocketed during that period, far outpacing the rate of inflation. In 1978, for example, the average cost of a new single-engine piston aircraft was around \$40,000. Today, you have to lay out up to three times that amount for even the most basic design.

Even the rich have problems financing a new aircraft. A recent GAMA report cited the case of a man with a million dollar annual income who was stiff armed by the bankers in his efforts to buy a new airplane because he also was carrying a mortgage on his home.

When the millionaires are in trouble, we're all in trouble.

General Aviation Policies:

So the new Administration in Washington is supporting a number of measures designed to make flying a bit more affordable.

One is the repeal of the 10% luxury tax on new aircraft sales, which has proved to be a real loser as a revenue generator. Although a repeal measure is not part of the Administration's current stimulus package, the President has voiced support for such legislation on a number of occasions. So, I'm hopeful that we will see some action in this Congress.

A second, and potentially even more important, initiative, is restoration of the Investment Tax Credit, or ITC, on new aircraft sales. The ITC proposal already is on the table as part of the stimulus package and the details are being hammered out by the Congress even as we speak

Unfortunately, the Administration has not taken a position as yet on the critical issue of product liability reform for general aviation aircraft. It may be that the Administration simply is not prepared to fight this battle at this time, given the past record of failure in the Congress. I think we're pretty much in a wait-and-see mode right now. But I'm not optimistic.

The proposed energy tax is another question mark. Nobody likes it, but most everyone recognize its importance as a deficit-reduction and energy-conservation measure. The various G.A. interest groups seem to have accepted the inevitability of the tax and have focused their efforts primarily on ensuring the "fairness" of the final legislation.

DOT/FAA Lineup:

Of course, the man with the primary responsibility for carrying out the Administration's aviation policies is our new Secretary of Transportation, Frederico Pena. Just in case you have any questions about him, let me point out that he demonstrated his commitment to aviation long before he ever got to Washington.

As the mayor of Denver, he was the driving force behind the building of the new airport out there. Other mayors talk about building new airports. He did it. Enough said.

Regarding a new FAA Administrator, we're still waiting. I can't tell you who the new Administrator will be, of course, but I can predict that you won't see any significant shift in FAA policies toward general aviation.

FAA & General Aviation:

Why? Well, because events in recent years have shown clearly that FAA and the General Aviation community can accomplish much more working as partners than we ever did as adversaries.

A good example is the shift in emphasis in our compliance and enforcement program. We've found that the velvet glove works much better than the mailed fist. Compliance is up and violations down. What better testimonial? Why fool with a system that works?

FAA Efforts to Boost G.A.:

Getting back to the economics of flying, FAA also has been doing what it can to help make it more affordable.

For example, we have established the Small Airplane Certification Program to reduce both the red tape and costs associated with winning the FAA seal of approval for small and very light aircraft. This has been one of those team efforts I was talking about with the full participation of EAA, SAMA and the other G.A. groups.

One of these new initiatives will permit certification of certain very light aircraft -- single-engine two seaters -- using the equivalent standards of the European Joint Airworthiness Authority.

A second initiative is the primary aircraft category rule adopted last fall. It covers certain single-engine, four-place airplanes intended for personal and recreational use. It also allows pilot/owners a greater role in the maintenance of their aircraft.

We've also created the Recreational Pilot certificate to lower the cost of entry into aviation and get more young people involved. This has been something of a disappointment to date but we're looking at ways to make it more attractive. General Aviation needs that young blood in order to grow and develop.

On the avionics side, FAA has postponed indefinitely the requirement that General Aviation aircraft be equipped with a Mode S transponder. That translates into multi-million dollar savings on a fleet-wide basis

Global Satellite Systems:

FAA also has played a lead role in the development of satellite navigation technology with the full support and encouragement of the General Aviation community.

GPS will provide users with greatly increased capabilities and operational flexibility at reduced costs. In short, it will be better and cheaper than what you have now. It has the potential to make virtually every runway in the world an instrument runway.

Flying magazine is one among many who are very bullish on GPS. "In a few years," it said in a recent issue, "a general aviation pilot won't ask whether or not an airplane has GPS gear on board, but rather what brand is installed."

We expect to approve the first GPS receivers under our new performance standards later this year. Then it's "Katie bar the door."

The number of receivers in the G.A. fleet is projected to skyrocket to 80,000 by the year 2000. By the year 2010, the number should be 200,000.

General Aviation Safety:

Despite our concerns for economic side of flying, we must never forget that safety is still job one.

In that respect, the General Aviation community continues to make excellent progress. Last year, it posted the lowest number of total accidents since the NTSB began keeping these statistics in 1967.

The number of fatal accidents also continued to decline although the total number of fatalities was up. That last fact is a reminder that we never can become complacent on the subject of aviation safety.

Another encouraging sign is the downward trend in the number of alcohol-related accidents. NTSB figures show that the percentage of pilots in fatal accident who tested positive for alcohol dropped from 10 percent in the mid-1970s to about six percent in the late 1980s. But, again, six percent is no reason for complacency. We can't be satisfied with anything less than zero.

Conclusion:

In conclusion, I'd just like to say again what a pleasure it is to be here today. Your enthusiasm is infectious and convinces me that General Aviation is alive and well at the grass roots level.

And this is where I think we'll see the rebirth of General Aviation. Hidden among all the negative statistics last year was a SAMA estimate that 1,500 airplane kits were sold last year. That's almost three times the number of single-engine planes that came off the production lines.

And our "Aviation Forecasts" indicates that the number of student and recreational pilots will grow by almost a 20 percent over the next dozen years, compared to very small gains in the other categories. That's the young blood I was talking about and they are the hope for the future of this great industry.

We may yet have the last laugh on the "Doom and Gloomers."

Now I would like to throw the meeting open to questions.

Ok, it's your turn.

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DRAFT REMARKS FOR MONTE BELGER
ACTING DEPUTY ADMINISTRATOR
ASIAN PACIFIC AMERICAN HERITAGE AWARENESS
MONTH
FAA HEADQUARTERS
MAY 19, 1993

I am pleased to be here this morning to take part in this celebration of Asian/Pacific American Heritage Month. Joe Del Balzo regrets he couldn't be with you today. He is testifying on Capitol Hill.

We're fortunate to have two distinguished speakers with us today--Congressman Norm Mineta and Dr. Paula Bagasao (pronounced BAGASOW). Welcome to both of you. We're delighted you could join us.

It's also good to see such a strong turnout of FAA folks. These events are important and I don't want us ever to take them for granted. We need to take time out to celebrate the diversity in our midst and to learn more about the various ethnic groups and cultures that make up the FAA family. We also need to remind ourselves of the richness this diversity brings to the FAA table.

Without this perspective, the real benefits of diversity will never be fully understood or appreciated. There is a tendency by some to regard diversity as a matter of benevolence--something that we in the majority do to help minorities. Paternalism is not what diversity is about at all.

Let's be clear on this subject: The agency needs diversity far more than the diverse ethnic and cultural groups in our society need the FAA. We are the prime beneficiaries. We are the ones who stand to benefit the most. Diversity helps us break out of the stifling

mold of uniformity. It forces us to think in different paradigms. It broadens our horizons and helps us meet our growing leadership responsibilities in an increasingly diverse and variegated world.

Asian/Pacific Americans understand the importance of diversity because there is an astonishing amount of diversity with the Asian/Pacific American community itself. Asian/Pacific Americans trace their roots to at least 25 different nationalities, more than 75 different languages, and hundreds of different ethnic groups.

With all this diversity, it is phenomenal to realize how quickly peoples from Asia and the Pacific have made it in U.S. society. Despite extreme prejudice and other factors, including severe language barriers, Asian/Pacific Americans have managed in a relatively short time to achieve a level of success far beyond their proportional representation in American society.

Here at FAA, for example, Asian/Pacific Americans make up 7.9 percent of the FAA professional work force, which includes such occupations as engineers and scientists. This despite the fact that Asian/Pacific Americans constitute less than two percent of the total FAA work force. What this represents most of all, I believe, is the high value that Asian/Pacific Americans have traditionally placed on education.

So, we have much to celebrate and much to learn from the example of the Asian/Pacific American community. At the same time, we've got some unfinished business left. While the percentage of Asian/Pacific Americans is high in the professional ranks, the overwhelming majority are males. So, we've got to do better in terms of tapping the rich resources available to us among Asian/Pacific American women.

Government-wide, there are only ten Asian/Pacific American women in the senior executive ranks. We are indeed fortunate to have

one of them in Dorothy Berry, who serves as Deputy Associate Administrator for Human Resource Development. And we have another in the wings, Alice Wong, who was just selected for the SES Candidate Development Program.

So, compared to government as a whole, we may look okay percentage-wise. But, we can't take any comfort in these figures. They don't tell the true story. We know we must do better and we will.

Once again, I want to thank you all for coming down here today. I urge you to do yourselves a favor and take some time out of your busy schedules to participate in some of the events planned for this month. I think you'll be glad you did. And, please make sure that you cut some slack for other people in your offices so they, too, can participate and benefit from these enrichment activities.

Thank you.

**Draft Remarks for Monte Belger before Washington Chapter of
Black Coalition of FAA Employees
June 8, 1993**

It's a pleasure to be with you this morning. Thanks for inviting me.

I like the theme of your conference--"focus on the future." That's where we all need focus our energies--on the future, preparing ourselves to meet the challenges that lie ahead.

Many people spend too much time worrying about the past. Somebody once said that's like sitting in a rocking chair, rocking back and forth. It gives you something to do but it doesn't get you anywhere.

I also like what I see in terms of the workshops you are offering. I think you are on the right track. What I like about these sessions is that they seem to be oriented toward taking control of your own destinies and not waiting around for good things to happen to you.

What you are doing with this training is an important part of what the agency should be doing to prepare for the technical challenge facing us. Too often, we think of this technical challenge only in terms of procuring the right mix of equipment, facilities and technologies. These are the items that seem to get all the visibility, all the publicity, and frankly all the money. Just as daunting a task, though, in my judgment, is getting the right people to manage and operate these technical systems. And that's primarily a matter of recruiting and training that needs to take place--not in the year 2000, but starting right now.

You will never see a headline accusing the FAA of being late and behind the power-curve in terms of hiring and recruiting for the future. But, it's common to see a headline like that whenever a program slips behind schedule. I am not suggesting we are looking for more adverse headlines, but I am suggesting

that we all need to regard recruitment and hiring of the work force as a vital part of our preparations for the future. And at the moment, I don't think we do. And I submit that the Black Coalition--the Washington chapter as well as the National Coalition--can play a greater role in helping the agency focus its attention on this need. That is the challenge I offer you today which I will expand on in just a minute.

As you can see, I didn't come down here today to tell you how much we have done over the past x number of months. I know it's traditional to do that and it's not without a certain value. But, my problem with this approach is that it tends to reduce this whole effort to a score card--inducing complacency in some and perhaps false expectations in others.

What concerns me most of all is that this approach tends to promote divisiveness by creating an "we versus them" environment. "What have *you* done for *us*" becomes the rallying cry instead of what have we all done, pulling together, to move this thing forward.

It's not that I don't believe management bears a special responsibility to lead the way in helping create a more diverse work force. It clearly does. But, I also don't believe that diversity is a program that management is solely responsible for, that Human Resource Management is solely responsible for, or that Civil Rights is responsible for. I think it is something we are all responsible for.

Nobody should be off the hook and be able to say, that's not my job. It's everyone's job--and more than than a job. It's got to be a way of life, a mode of thinking. And until we get to that point, I don't think we should be satisfied, no matter how many boxes we have checked off, no matter what progress we might have made in a particular area.

However, if you will allow me a moment of reflection on the past, I must say that significant progress has been made over the last few years in making some

of the institutional changes needed to make workforce diversity happen. To cite just one example, SESers now have to show that they have taken positive, concrete steps to ensure that minorities and women within their organizations are developed and prepared for management and executive positions. It's one of their critical job elements.

At the same time, it would be dishonest to say that we have come a long way. We haven't. We've barely begun. For example, the numbers over the past four or five years show a significant percentage growth in the number of African Americans at FAA. However, most of that increase is at the lower levels. But, we haven't done nearly well enough in hiring and promoting Blacks, women and other minorities into higher-level management positions, including the SES ranks. So, we can't take much comfort in raw numbers.

Yet, I still believe the right climate is there, as there has been for the past four or five years, to make significant progress. I think most would agree that the commitment of Jim Busey and Barry Harris to workforce diversity was unequivocal. And I think the extraordinary efforts the Clinton Administration is making to ensure diversity in its appointments shows where the President stands on this issue.

When Dr. Paula Bagasao, from the White House personnel office, was here at FAA for an Asian/Pacific American Heritage ceremony a few weeks ago, she indicated that only about one-fourth of the appointments had been made to date. The reason for this is that the President was insisting there must be diversity in the list of candidates submitted for his review or the list would be returned until there is.

So, as much grumbling as there has been about the slowness of the Administration in making its appointments, I think they are making a good-faith effort to put in place an Administration that looks like America.

I think Secretary Pena is a perfect example of a Clinton appointment who is committed to diversity. If you heard the Secretary's deputy chief of staff, Katherine Archuleta, when she was here at FAA recently, you'll know what I am talking about. I also urge you to read the Secretary's recently-issued policy statements on workforce diversity, civil rights and sexual harrassment.

Over the years, I have seen these policy statements issued by the various Secretaries and, frankly, some of them appeared pretty perfunctory, giving the impression that the previous one were merely dusted off, retyped and reissued. But, there's a freshness in the Pena policy statements that strongly suggest personal commitment. And, I can tell you from our dealings with the Secretary's office that this is indeed a fact, as I feel confident we will all see more clearly in the months ahead.

My purpose in all this is to make the point once again that the climate is favorable and it's now up to us to figure out how to take advantage of these conditions in our part of the world--here at the FAA.

In other words, what can we all do to take this up a notch or two? Not what can this administration can do, what Secretary Pena can do, or what the new Administrator can do. The question should be--what can we do? What can I do? More specific to today's audience, what can this coalition do?

Let's go back for a moment to issue of women and minority representation in the SES rank at FAA. Of the latest crop of candidates to make it through the CDP process, 27 percent are women and 20 percent are minorities. Compared to the percentages of minorities and women who made it successfully through the CDP process earlier, this doesn't look too bad. But, from the perspective of the existing pool of SESes at FAA, it's a drop in the bucket. Of the 173 SES positions currently filled in the FAA, only 11 percent are minority and 9.6 percent are women. That's not nearly good enough and we all know that.

I don't like the numbers game. But, as I have told my children, grades may not be everything, but they are one strong indicator of how they are doing and we can't ignore them. That's the way I feel about the numbers of women and minorities in the higher echelons of the FAA. Something isn't quite right and we've got to figure out why we aren't doing better in this regard.

Now, I am sure everyone has a theory, but I don't think it is particularly helpful to begin pointing the finger--unless it is at ourselves. I think we need to focus, as you are doing with this conference, on the future and think in terms of what we can do better down the road.

I don't have a lot of pat answers but I do have some questions that we need to ask ourselves. As far as the coalition goes--this particular chapter of the coalition--I think it should be reassessing its mandate and role. It should be asking itself: what can we as a group do to become more effective?

And, while you're in the process of addressing that question, let me suggest that you don't need to think necessarily about doing *more* but about doing *better*. Sometimes, here in Washington, we do an enormous amount of work, individually and as an agency, but we don't necessarily work effectively. We don't always work smart.

So, I would suggest what what you need to do is pick off a few major agenda items where you think you can do the most good and devote your resources and energies to accomplishing them over the next year.

One area where I can see coalition involvement is in identifying candidates

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REMARKS BY MONTE BELGER

AVIATION INTERNATIONAL

ROUNDTABLE

JUNE 28, 1993

Welcome to our third Aviation International Roundtable session. I would like to thank Dr. McCoy and Jonathan Howe for agreeing to share their expertise with us this morning.

As you know, the Roundtable series was created to help everyone in this room prepare for the increasing globalization of aviation activities -- and our policy decisions. I think that it is timely and appropriate that this session is devoted to Latin American affairs. For, despite the geographical proximity of the region, U.S. activities -- including FAA efforts -- in Latin America have been less than consistent and focused. Perhaps the political and economic history of the

region has made aviation safety problems seem insurmountable. Obviously, it's been easier to put FAA resources to work in Asia and Europe, where aviation officials have committed to (and have had the money to commit to) the most advanced technologies and the safest systems.

Nevertheless, the FAA must reassess its activities and its role in the region. First of all, the exposure of American citizens to non-standard and sub-standard aviation systems in Latin America is great. Forty-eight percent (48%) -- almost half -- of the U.S. citizens who fly outside of the U.S. fly south. That's over 17 million passenger trips per year. In fact, the Caribbean/South American region equals Europe as the top air passenger market.

Secondly, as evidenced by the North Atlantic Free Trade Agreement (NAFTA) negotiations, U.S. economic activities in the region are accelerating. Did you have the chance to read the New York Times article on investment in Latin America a few weeks ago? I found it interesting that the U.S., Japan and Europe have quadrupled their investments in Latin America over the past three years. From 1990-1992 alone, almost \$100 billion was pumped into the region -- primarily into Mexico, Chile, Argentina, Venezuela and Brazil.

As trade with and investment in Latin American countries increase, we at the FAA will be faced with increasingly complex challenges. Of course, the safety and security of American passengers will continue to be our primary concern. Limited technical assistance funds, the acute shortage of telecommunications and computer

technologies in Latin America, and political turmoil in such places as Columbia and Peru -- these are only parts of a very difficult puzzle.

And, as we all know, the aviation safety problems in the region are compounded by the fact that no organization has the power to enforce civil aviation rules and procedures. So, the FAA must place a great deal of emphasis on bilateral agreements, and we should give thought to other, creative methods of improving the aviation infrastructure in the region.

Obviously, it is important that each of us understand and be able to **interpret** the economic and political developments in Latin America. And this Roundtable is designed to help us do just that. I look forward to Dr. McCoy's remarks and our group discussions.

(Prepared by AIA-110)