



## ●●● ISSUE SPOTLIGHT: AIR TRAFFIC CONTROL REFORM

### REFORMS HAVE BEEN SUCCESSFUL AROUND THE WORLD

Since 1987, over 60 nations have shifted the responsibility for providing air traffic control services to an independent service provider. There is overwhelming evidence from U.S. government and independent reports over the past 25 years that separating air traffic control from the government regulator has led to better performance on safety, modernization, service quality, cost, and financial stability.

"Available data from the five ANSPs [Air Navigation Service Providers] we reviewed indicate that since commercialization, the safety of air navigation services has remained the same or improved.

"All five ANSPs have taken steps to control their operating costs, whether by eliminating some administrative and middle management positions or by consolidating facilities

"...all five ANSPs have invested in and benefited from new technologies and equipment, which the ANSPs say have lowered their costs by increasing controllers' productivity, and have produced operating efficiencies, such as fewer or shorter delays."  
[- GAO, "Air Traffic Control: Characteristics and Performance of Selected International Air Navigation Service Providers and Lessons Learned from Their Commercialization," 7/29/05](#)

Aviation officials from six countries that have separated their air traffic control provider from government (New Zealand, Canada, Australia, France, Germany, and United Kingdom) "were unanimous in stating that the separation of the CAA [Civil Aviation Authority] from air traffic service provision was worth it. Among the benefits they expressed were an increased focus on safety by the Regulator and the ANSP, reduction in total cost to users, and improved participation by aviation stakeholders."

[- The MITRE Corporation, "CAA International Structures," \(a report commissioned by the FAA\), 10/2014](#)

"Independent studies have found that these providers are more customer-focused, quicker to adopt and implement new technologies and procedures, and better funded (since their revenue does not depend on the government's budget)."

[- Hudson Institute Initiative on Future Innovation, "Organization and Innovation in Air Traffic Control," 2013](#)

"The impact on safety has been neutral or positive; modernization has been greatly improved; service quality has also improved; costs have been reduced, significantly in some models, while financial stability was maintained; and other public interest considerations have not been adversely affected."

[- Glen McDougall and Alasdair Roberts, "Commercializing Air Traffic Control: Have the Reforms Worked?" \(a study of 10 reform models in other countries\), 3/2008](#)

“...the international experience demonstrates that commercialized providers can keep costs in check, upgrade their systems, and improve safety. Some key factors that are essential to the success of these systems include reliable, independent sources of revenue, independent, but accountable, management, and stakeholder involvement.

“Congress and the federal government would continue to play a substantial role in promoting the growth of the aviation system and assuring that strong safety oversight remains intact.

“This arrangement would promote faster modernization of the ATC system, leading to more fuel saved and less congestion.”  
[- Eno Center for Transportation, “Time for Reform: Delivering Modern Air Traffic Control,” 2/2017](#)

“The notion that ATC operations and safety regulation should be separate is fundamental. The International Civil Aviation Organization (ICAO), whose principles are the basis for safety regulation throughout the world, calls for the air traffic control safety regulator to be separate from the operation it regulates. Dozens of countries have elected to follow ICAO’s guidance. In fact, for some countries, adherence to this principle was the major motivation for moving air traffic control outside of the traditional government bureaucracy. Although the U.S. aviation system has an excellent safety record, the United States is one of the only advanced industrialized countries in which air traffic control is still both operated and regulated by the same agency.”

[- Testimony of Dorothy Robyn \(economist and former White House economic advisor\) before the House Aviation Subcommittee, 3/24/15](#)

“Most developed countries (other than the United States) have enacted fairly sweeping organizational reforms of their ANSPs over the past 25 years, separate from, and largely prior to, the launch of NextGen.... Since then, beginning with Airways New Zealand in 1987, more than 50 nations have transformed their ATC providers into single-purpose corporations operated or regulated by their governments.... The revenue streams paid directly to these ANSPs enable them to issue revenue bonds to finance large capital improvement programs. The larger ANSPs have generally obtained investment-grade bond ratings.... Financial autonomy means that these ANSPs are neither affected by government budget cuts nor subject to micromanagement by legislative bodies.”

[- Reason Foundation, “Organization and Innovation in Air Traffic Control,” 1/2014](#)