

Airneth Brown Bag Meeting January 18, 2007

Den Haag

“Air Traffic Control Commercialization Policy: Has It Been Effective?”

Abstract: Glen McDougall, President of MBS Ottawa in Canada and Senior Fellow at George Mason University in the United States will present the results of a new study that compared the performance of ten commercial Air Navigation Service Providers (ANSPs), including LVNL, on safety, cost, service quality and other factors compared to the performance of a government department, the FAA, over the same period. The intent was to determine through both qualitative and quantitative analysis if governance structure affected the results achieved.

The study was managed by MBS Ottawa with the contribution of George Mason University, Syracuse University in New York and the McGill Institute of Air and Space Law in Montreal. Three new bodies of work were produced: a summary of the governance structure in each of the ten countries (this included a chapter on LVNL); quantitative analysis of performance trends from 1997 to 2004 normalized to allow observations of behaviors between ANSPs; and over two hundred interviews with the ANSPs of each country and their regulators, customers, suppliers, unions, military ATC operators and international organizations to obtain expert opinions on how the commercialized ANSP is performing.

The study involved the participation of several international aviation organizations, government bodies and the ANSPs themselves. It was financed by several organizations including IATA, CANSO, several ANSPs including LVNL, Transport Canada, the UK Civil Aviation Authority and others. Guidance was provided to the study team by an Advisory Committee of respected aviation experts including a former FAA Administrator, the former Advisor to President Clinton on Aviation, the Director of User Charges for IATA and the Group Director of Economic Regulation for the UK Civil Aviation Authority.

The study deals with the governance structure and institutional framework of the ANSPs. It includes consideration of their freedoms, powers and authorities; their board structures and relationship to government; stakeholder influence and the legislated and regulatory frameworks. The presentation will include a comparison of governance structures, the findings on each performance area, the results of the full circle interviews, and an analysis of those features of governance design and implementation that have affected performance. The study does not advocate or endorse a particular governance structure but provides impartial and unbiased information, best practices and lessons learned that can be used by policy-makers and stakeholders when considering reform of ANSP organizations.

Glen McDougall is a former Director General in the Government of Canada and was responsible for the design and creation of NAV CANADA, including public consultations and legislation.