



What You Need to Know About proposals to privatize the FAA

Privatizing the FAA's Air Traffic Operations and management of the National Airspace System (NAS) would throw 45,000 federal employees and billions of dollars in funding into chaos. Privatization would jeopardize Air Traffic Control next-generation programs, likely delaying implementation and increasing costs for several years, by shifting the FAA's focus to privatization 'transition' activities.

FAA Facts

- The FAA operates and maintains the NAS and handles over 50,000 flights a day and 700 million passengers each year.
- There are over 13,000 airports in the U.S. – more than four times as many in the E.U.
- Other countries are used as an example of privatization successes, but 25% of all flights worldwide took off in the U.S. – triple that of China, which is second, and eight times that of Canada, which is third.
- FAA's workforce of 45,000 employees includes 14,500 ATCs; 11,000 system specialists; 7,800 engineers, scientists, and technicians; 7,000 safety staff; and 5,000 supervisors, managers, and administrative staff.

Privatization Risks

- Privatization would reduce accountability to, and increase costs for, the flying public and taxpayers.
- If privatization occurred, there would be a resulting "brain drain" on the FAA that would leave a gaping hole in corporate, management, scientific, engineering, and human resource capabilities.
- Remaining employees would have to adjust to new pay, benefit, and work rule changes.
- Privatization would lead to a chaotic transition period adversely affecting the safety of the flying public.

Costs of Privatization

- The Congressional Budget Office says privatization would add \$20 billion to the national debt in 10 years.
- After privatization in Canada, the Canadian public faced a 59% increase in ATC fees on airline tickets. In the U.K., ATC fees rose 30% after privatization. In both countries, taxpayers had to bail out their air traffic corporations.
- If the U.S. were to privatize, operational costs could increase by 20% to 29% after 10 years.

Impact of Privatization

- About 34,000 federal employees would be transferred to a private-sector corporation that does not yet exist.
- All FAA physical and intellectual property would be transferred to that corporation.
- Billions of dollars in contracts would be voided, requiring the creation of new contracts with the corporation.
- Renegotiation of 18 existing union contracts, extensive recertification of FAA unions, and/or the establishment of multiple new unions.