



M O V I N G T H E
AMERICAN
ECONOMY

U.S. Department of Transportation
Office of Public Affairs
Washington, D.C.
www.dot.gov/affairs/briefing.htm

Speech

A VISION FOR THE NEXT GENERATION AIR TRANSPORTATION SYSTEM

**Remarks of
Jeffrey N. Shane
Under Secretary for Policy
U.S. Department of Transportation**

**Transportation Research Board Annual Meeting
January 10, 2005
Washington, DC**

At the Department of Transportation, we like to talk about “big ideas,” especially those involving the future of our Nation’s transportation system. Transportation, after all, is the lifeblood of our Nation’s economy and a major reason for the prosperity we have enjoyed. Air transportation, in particular, played a vital role in helping Americans prosper throughout the 20th century.

A Potential Crisis in the Making

But only five years into the 21st century we face a looming crisis – demand for air services is on the rise, and could as much as *triple* over the next two decades. While the industry downturn and the effects of the 9/11 attacks temporarily slowed the tremendous growth in air travel that started in the late 1990’s, demand is growing again, and in a big way. That is why we have taken on what is admittedly a very big idea – the notion that we can pull all available public and private sector resources together and literally transform the way our air transportation system works.

In the short term, we are doing all the things we should be doing to increase the capacity of our current air transportation system: building new runways; redesigning airspace to get more out of existing capacity; working with industry to help increase operational efficiency; and examining ways to manage demand more effectively at our most congested airports. In the longer term, however, we know that this will not be enough.

I do not hold myself out as a futurist and do not pretend to know what the marketplace for air services will look like in the year 2025. What I do know is that government has a

responsibility to ensure that the infrastructure is in place that allows American entrepreneurs to work their magic without being strangled by congestion or buried in bureaucratic red tape. That is what we are focused on – how do we develop a system that is flexible enough to accommodate light jets and large commercial aircraft, small airports and large, business and vacation travelers alike, and to handle three times the number of operations that the current system handles with no diminution in either safety or efficiency?

A Vision for the Future

The answer lies in the Next Generation Air Transportation System initiative launched by Secretary Mineta almost one year ago to the day. He probably summed up the objective best when he announced the initiative. “The changes that are coming are too big, too fundamental for incremental adaptations of the infrastructure,” he said. “We need to modernize and transform our air transportation system – starting right now.” Under his direction, we have spent the last year working with our federal, state and local government partners, as well as industry and other stakeholders, to sketch out a vision for what a future system might look like.

The system we foresee would allow for faster, more efficient movement of people and goods throughout the United States and around the world. It would be a much smarter system, allowing pilots to have greater control of their flight path and vastly improved situational awareness through greater use of technology, including satellite-based systems like GPS. It would also be flexible enough to accommodate whatever type and mix of aircraft we might see in our skies by the year 2025, a mix that’s likely to be quite different from what we have today.

Through this initiative we are bringing together the best and the brightest from throughout the federal government, including the Departments of Commerce, Defense and Homeland Security, NASA, and the FAA, along with industry and the academic community to determine how to design and build this Next Generation system. Unlike previous efforts to modernize our system, we are bringing all these agencies together now, to ensure that all the pieces of the puzzle are understood and addressed from the very outset.

For example, in the post-9/11 era we have made a series of security enhancements to our airports and airspace, but typically by layering them on top of an existing system rather than including them in the design from the beginning. The transition to a Next Generation system will allow us to integrate these improvements in a way that will make them much less noticeable to the passenger, and also much more effective.

Setting an Example for Government Cooperation

A special feature of the Next Generation initiative is the level of participation we are enjoying from the other agencies involved. For the first time in my experience, we have deputy secretaries and administrators of some of our largest federal departments coming together to tackle this problem in a very thoughtful and sustained way. Through a Senior Policy Committee that Secretary Mineta chairs, we have been able to bring these senior officials to the table to actively engage in the development of our national vision. We will continue to call on them to help solve what are sure to be challenging policy issues that will arise as the system is further developed.

Our first deliverable was an Integrated National Plan that we delivered to Congress – on time – last month. We have copies available here today, but you can also access it via the FAA’s website at www.jpdo.aero. The plan lays out a common vision for the Next Generation system, establishes benchmarks for our success, and establishes a structure by which we can design and implement the changes we need to make. The Joint Planning and Development Office – or JPDO – set up within the FAA a little over one year ago, now serves as a focal point for coordinating the research related to air transportation for all of the participating agencies. It is being jointly managed – and funded – by the FAA and NASA, and includes staff from all participating agencies involved.

The JPDO is coordinating the work of eight Integrated Product Teams – or IPT’s – that were created to break this rather complex project into manageable pieces. Each agency leads at least one of these IPT’s, and is therefore accountable for its piece of the puzzle. These IPT’s will be spending the next several months developing more specific strategies for making each component of the Next Generation system a reality. They will also be working closely with our stakeholders to ensure that they have an early window into our thinking and that we take full advantage of their expertise along every step of the way.

Many have suggested that creating a Next Generation system might be a budget-buster and therefore a non-starter in these challenging fiscal times. To the contrary, we are using the JPDO process as a way to ensure full coordination of research across agency lines, and between the government and private sector, in ways that simply have not been done in the past. We already have a sizable amount of resources being spent each year on air transportation-related research. By better coordinating our actions and tying them to a long-term integrated, national plan we can maximize the benefits of those public and private investments.

Conclusion

History will judge us based not necessarily on what we accomplish in the near term but on what actions we take to help sustain our world-class air transportation system far into the future. Secretary Mineta has answered the call – and I invite all of you to become part of this exciting project. All of you here today have an opportunity to contribute as we move to design and build the Next Generation air transportation system. If you have not already, I would encourage you to read our Integrated National Plan carefully and get

in touch with the JPDO to find out how you can help. Thank you for the invitation to be here today, and I would like now to move on to our very distinguished panel.

#