

STATEMENT OF EDWARD P. FABERMAN, DEPUTY CHIEF COUNSEL, FEDERAL AVIATION ADMINISTRATION, BEFORE THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS, SUBCOMMITTEE ON GOVERNMENT ACTIVITIES AND TRANSPORTATION, CONCERNING SLOT ALLOCATIONS IN THE CHICAGO REGION. CHICAGO, ILLINOIS. OCTOBER 24, 1983.

Madam Chairwoman and Members of the Subcommittee:

I am pleased to be here today to discuss the allocation of arrival slots at airports in the Chicago area. With me are Paul Bohr, Director of the Great Lakes Region, and Jack Ryan, Chief of the Operations Division of the Air Traffic Service. I would like to give you a brief background of the slot allocation process in general before I proceed to discuss the particulars of the situation in Chicago. The FAA got into the slot allocation business reluctantly, and we are determined to get out of it as quickly as we can, consistent with the needs of safety. As you know, the illegal strike by over 11,000 air traffic controllers on August 3, 1981 drastically reduced our controller workforce. FAA was forced to take a number of steps to keep the air traffic control system operating with this reduced workforce. For example, we:

1. Instituted more stringent flow control to cut back on the level of air traffic and spread that traffic level over the course of the day to reduce traffic "peaks" which would strain the system beyond staffing capabilities;

2. Expanded the amount of overtime worked by controllers;
3. Placed supervisory and qualified staff personnel into operational positions, where they controlled traffic;
4. Temporarily rehired retired annuitants to assist in controlling traffic, training new controllers, and filling critical staff positions;
5. Borrowed military controllers from the Department of Defense to supplement our controller workforce;
6. Transferred volunteer controllers to especially hard hit areas;
7. Transferred air traffic control responsibility for certain airspace from severely impacted centers to less impacted centers; and
8. Expanded the training capability at the FAA Academy in Oklahoma City in order to expedite the flow of new controllers available to begin field training.

The combination of these efforts enabled the FAA to keep the nation's air commerce moving to a very significant extent. However, as I noted, one of the steps we had to take was to cut

back traffic. To accomplish this, FAA first implemented a pro-rata reduction in the number of arrivals allowed per air carrier at 23 "pacing" airports throughout the country. These were airports which were most seriously affected by the strike. At O'Hare, for example, major trunk carriers were required to reduce operations by approximately 40%. In addition, flow control had to be instituted at all air route traffic control centers, which monitor and control aircraft between airports.

Gradually, as our training programs progressed, we were able to increase capacity at many airports and centers. Increases in capacity were only allowed after careful coordination between the field and Washington. Many factors had to be considered including weather, staffing, and training capability. All decisions to increase capacity have been personally reviewed by the Administrator, who has been very careful to ensure that the safety of the system would not at all be compromised before approving such increases. In order to distribute this increased capacity among the air carriers in an equitable manner and to meet the scheduling demands of carriers, FAA introduced the slot allocation process.

At first, we allocated new arrival slots on a first-come, first-served basis--whoever applied for slots first, received them when they became available. As a result of a public

rulemaking process, we moved to a lottery system to allocate additional slots which became available, beginning in February of 1982. Under this system, each carrier was given an equal, but random, opportunity to select slots. In order to again maximize flexibility for the industry, the FAA issued a Notice of Proposed Rulemaking (NPRM) in June, 1982, proposing alternative allocation mechanisms. As a result of comments submitted, the agency promulgated an allocation mechanism which allows carriers to choose the slots they desire from those available. Under this procedure, carriers in a predetermined order select any available airport or center slot until all are taken. Carriers may decide not to select slots, and instead to accumulate selections for a future allocation. They may also trade slots or selection positions. There has been general agreement that this has been responsive to the needs of the industry.

Over the last 2 years, we have increased system capacity significantly, to the point where the ATC system nationwide is now operating at about 97% of pre-strike levels. Capacity restrictions have been lifted at 16 airports. However, there are still 7 airports subject to slot allocations, and certain other restrictions remain.

Turning to the Chicago area, the reason that O'Hare and Midway airports have been combined for the purposes of slot allocation

is because of shortages of qualified controllers at the Chicago Air Route Traffic Control Center in Aurora. Air traffic for both O'Hare and Midway must pass through the same sectors in the Chicago Center, and, thus, the number of slots available for one airport is currently linked to the number of slots at the other. Since the limitation is in the center, it does not matter which airport an aircraft is heading for; total capacity for O'Hare/Midway is dependent on the center's capability to safely handle traffic demands. Therefore, the FAA treats O'Hare/Midway as one entity for the purposes of slot allocation. A carrier desiring to use a slot at Midway can either get a slot at Midway, or obtain a slot at O'Hare and transfer it to Midway. For example, Air Florida has acquired three O'Hare slots (2 through trading with other carriers, and one through the slot allocation process) and is planning to utilize those slots at Midway Airport beginning November 15th.

I should point out that Chicago is not the only area in the country where FAA has linked airports because of capacity constraints at a center. In Houston, Hobby Airport and Houston Intercontinental Airport were treated as one entity for slot allocation purposes, and in Dallas, Love Field and Dallas/Fort Worth International Airport were likewise grouped together. Combining these airports was only done after a careful analysis of what the air traffic impacts at these airports would be if

they were not combined. I might also add that we believe that combining these airports added to the flexibility of those carriers desiring to serve the smaller airports, by making a larger pool of slots available to them..

Unfortunately, the Chicago area was severely affected by the strike. In fact, the Chicago Center suffered controller losses as great as any other center in the country. Over 85% of the controller workforce walked off the job. FAA took many of the steps I outlined at the outset of my statement in order to alleviate the problems at the Chicago Center. For example, retired annuitants were re-employed to help control traffic, train new controllers, and fill key staff positions.

Responsibility for controlling segments of airspace was shifted to adjacent centers that were in a better position to handle them, specifically, Minneapolis Center and Cleveland Center. A special incentive program was developed to encourage controllers to transfer to the Chicago Center to supplement its staffing. The Chicago, Pittsburgh, and New York areas were the only ones in the country for which we implemented this program.

At the present time, we still do not have enough full performance level controllers to lift the restrictions at the Chicago Center, which drive the need for slot allocations at Midway as well as O'Hare. However, we believe that if our

training program progresses as scheduled, we may be able to separate Midway from O'Hare and eliminate the need for slot allocations at Midway next February. We anticipate that shortages of qualified controllers at the Chicago Center and O'Hare Tower will not allow the lifting of slot restrictions at O'Hare before April, and possibly some time beyond that.

I must emphasize that the staffing problem at the Chicago Center is not a numbers problem. It is a matter of qualifying controllers for each position at the center so that they can reach full performance levels. Given the fact that it takes, on average, 4-6 months for a controller who is fully qualified at another facility to be trained and checked out at the Chicago Center, the elimination of capacity constraints at Midway Airport could not be hastened by the transfer of controllers from other areas, even assuming that there were such controllers available for transfer. In fact, transferring controllers to the Chicago Center would actually hinder the long-term recovery of that facility, because it would delay the training of the developmental controllers who will be permanent employees there. Moreover, the training of the current developmentals cannot be rushed, because the Department of Transportation and the FAA have made a commitment, from the Secretary and the Administrator on down, that we will not cut corners in the training process, and we will not thrust

controllers into positions for which they are not fully qualified. The safety of the system is our foremost goal, and the Administrator has made it clear that he is not going to compromise safety in order to expedite the easing of capacity restrictions.

Before I close, I would like to point out that Midway Airport actually has more air carrier operations now than it did before the strike, and in fact, it has had more operations throughout the duration of the recovery effort than it had before the strike. I realize that the pre-strike level at Midway was not very high, and I recognize that some air carriers would like to expand their operations at Midway more rapidly than capacity constraints would allow. However, I think it is important to remember that while most airports suffered a loss in the number of air carrier operations allowed during the post-strike recovery, Midway has actually had an increase in those operations. We will, of course, continue to aggressively pursue our efforts to increase the capacity of the air traffic control system in the Chicago area, consistent with our foremost concern of aviation system safety. We are confident that these efforts will result in significant alleviation of the constraints which concern the Subcommittee in the near future.

That concludes my prepared statement, Madam Chairwoman. At this time, we would be pleased to respond to your questions.