

A vertical strip on the left side of the page features a close-up of the American flag's stars and stripes, with the tail fin of a white airplane visible at the bottom.

FUTURE OF AVIATION ADVISORY COMMITTEE
AVIATION WORKFORCE-MANAGEMENT CONFERENCE

THURSDAY, JUNE 21, 2012

Continuing the Conversation

Final Report



Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

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INTRODUCTION

In 2010, the Honorable Ray LaHood, Secretary of Transportation, chartered the Future of Aviation Advisory Committee (FAAC) to ensure the competitiveness of the U.S. aviation industry. In particular, Secretary LaHood asked the FAAC to highlight transportation needs, challenges, and opportunities of the U.S. and global economy.

The FAAC was composed of 19 members—a diverse group of experts from all facets of the U.S. aviation industry, including air carriers, airports, labor, manufacturers, finance, academia, and consumer interests. Following a series of public meetings, the FAAC issued 23 consensus recommendations, all of which were accepted by Secretary LaHood for implementation. Recommendation 17, which addressed workplace issues, specifically called for a semi-annual Aviation Workforce-Management Conference. DOT hosted the first Aviation Workforce-Management Conference on September 21, 2011. Today’s conference is a further effort by DOT to implement that recommendation.

The purpose of today’s conference is to bridge the gap of information and understanding between the aviation industry’s workforce and its management. In particular, this conference will focus on workforce development and transitioning veterans to civilian jobs.

RECOMMENDATION 17—WORKFORCE/MANAGEMENT CONFERENCE

The Secretary of Transportation should endorse and implement a semi-annual Aviation Industry Workforce-Management Conference beginning in September 2011. The mandate of the conference would be to bridge the gap of information and understanding that generally exists today between the aviation workforce and its management, with the ultimate goal of a healthier industry for all.

Problem/Challenge

The range of issues confronting air carrier workers represents a vast, complicated, emotional, and at times contentious debate. The Competitiveness and Viability Subcommittee has discussed several controversial issues, and has uncovered common ground in some contentious areas, while finding other areas remain more polarized and without any agreement. These topics of debate are fundamental to the aviation industry and its workforce. Examples include—

- Outsourcing of aviation functions and jobs,
- Aviation safety and security oversight, and
- Protection of U.S. jobs under international alliance arrangements.

Despite a lack of concurrence, the FAAC believes there would be real value to greater exploration of these issues, as well as best practices within the aviation industry. Deeper discussion and closer communication could lead to greater mutual understanding and movement toward consensus.

Rationale

The traditional business model in which workers work and managers manage has created a chasm of misunderstanding in the aviation industry, and this division has grown in the aftermath of deregulation and subsequent challenges. From the employee perspective, jobs are in constant flux, pay and benefits continue to regress to the mean, and concerns about inflation and job security have been dismissed in the interest of creating shareholder value. The management view can be summarized by the quandary that while employee satisfaction is a significant concern, the company must first survive, and then succeed in a hyper-competitive landscape. The first problem is contingent on the second: without success there can be no shared success. Employees who are not engaged or educated in the business do not understand the business case. Managers are largely unaware they have an available, untapped resource that is capable of understanding the business, expert in its fields, and responsive when a case for enlightened self-interest is made. The parties can find substantive common ground and make real progress if they give these issues proper consideration and if they have the opportunity and the forum to learn from each other. Case studies and best practices should be a core component of the summit.

WELCOMING REMARKS

The Honorable Susan Kurland, Assistant Secretary for Aviation and International Affairs at the U.S. Department of Transportation (DOT), welcomed the attendees. She attributed the conference to the insight and forethought of Secretary LaHood and the FAAC. Assistant Secretary Kurland noted the healthy and vigorous conversation between labor and management committee members. She stated that the FAAC members recognized the value of keeping the conversation going. Assistant Secretary Kurland explained that this conversation is an open dialogue between workforce, labor, management, and academia. She commented on the robust conversation from the inaugural meeting in September 2011 and her expectation for another full round of conversation.

Assistant Secretary Kurland stated that Secretary LaHood chartered the FAAC 2 years ago and asked the question, “Are we listening?” She affirmed, “We are,” and stated that the conference brings together two Cabinet Secretaries, representatives from industry, labor management, and experts in education. Assistant Secretary Kurland noted that the question spurred this conference and is an ongoing part of the conversation.

Assistant Secretary Kurland thanked the attendees and introduced Secretary LaHood and the Honorable Eric Shinseki, Secretary of Veterans Affairs. She provided historical context by alluding to President Franklin Delano Roosevelt’s fireside chats, which provided the President an opportunity to speak informally to the people of the United States. Assistant Secretary Kurland explained that the Secretaries will use the same format to discuss their perspectives on issues currently affecting the workforce. She noted the conversation is not scripted.

SECRETARIAL FIRESIDE CHAT

Secretary LaHood welcomed the attendees to the DOT. He explained that this meeting is an opportunity for members of President Barack Obama's administration serving in key posts to discuss opportunities, ongoing work, and the future. Secretary LaHood acknowledged the Government's efforts over the past 3½ years to get the United States working. He stated that this was accomplished through resources provided by Congress, and acknowledged the efforts of the FAAC and the importance of following the most serious FAAC recommendations. Secretary LaHood noted one of the recommendations is to involve more people in aviation jobs. He stated that many opportunities will arise for jobs in aviation. He asserted that no agency has worked harder than the U.S. Department of Veterans Affairs (VA) to ensure job opportunities for returning Iraq and Afghanistan veterans.

Secretary LaHood welcomed Secretary Shinseki and thanked him for his military service. He expressed sincere admiration for the Secretary's and Mrs. Shinseki's extraordinary commitment to veterans and their families. Secretary LaHood noted the support of President and Mrs. Obama and Vice President and Mrs. Biden for veterans, and again thanked Secretary Shinseki for his commitment to public service and military veterans and their families. He invited Secretary Shinseki to describe VA's efforts to ensure that veterans receive the benefits and opportunities they earned through their service.

Secretary Shinseki thanked Secretary LaHood. He provided a brief background of his military career and explained that his job at VA is to ensure veterans have opportunities to move forward. Secretary Shinseki explained historical trends in the VA and stated that access to VA services has been a part of its major efforts over the last 3½ years. He noted President Obama's great leadership and the country's commitment to veterans and stated the 8 million veterans in the United States are spread across the landscape, with 40 percent living in rural areas. Secretary Shinseki emphasized the importance of providing equal access to veteran services across the country and, noting the challenges this poses, explained that collaboration with other Government entities is the key to providing more widespread access. He stated that 3 million citizens have volunteered for military service since September 11, 2001 (9/11), and approximately 1.5 million have since transitioned to veteran status. Secretary Shinseki noted this 10-year sacrifice and emphasized Government's responsibility to provide benefits such as healthcare and postgraduate degrees.

Secretary Shinseki provided the VA's historical background and explained that the VA still cares for two children of veterans from the Civil War. He stated that promises from Abraham Lincoln are being delivered by President Obama and will continue to be delivered 100 years from now. Secretary Shinseki detailed his efforts over the past 3½ years to understand the breadth and depth of VA's responsibilities to veterans. He noted the high quality of VA employees and stated that 100,000 of the approximately 317,000 current VA employees are veterans. Secretary Shinseki described VA efforts to hire veterans and commended the DOT for its significant commitment to this goal. He asked Secretary LaHood to share his insights.

Secretary LaHood stated that hiring veterans is a high priority at DOT. He noted that 15,000 veterans are currently employed at DOT, 3,000 of whom are disabled. Secretary LaHood stated that 30 percent of the DOT employees hired in 2011 were veterans and 11 percent were disabled. He expressed his pride in DOT's efforts to reach out to veterans.

Secretary LaHood noted the leadership skills veterans possess that other recruits could not develop without military training. He discussed some of DOT's special efforts to hire veterans and confirmed its commitment to veterans. Secretary LaHood asked Secretary Shinseki to discuss the VA hiring opportunity that will take place in Detroit, Michigan, and noted the success of the same event when it took place in Washington, DC, on January 18, 2012.

Secretary Shinseki acknowledged that he is expected to encourage the hiring of veterans because it is the right thing to do, but noted that hiring veterans may provide additional benefits. As an example, he noted that 3½ years ago, VA was only meeting 30 percent of its information technology (IT) production timelines, with high investment resulting in low output. Secretary Shinseki explained that over the last 3½ years, the VA has contracted veteran-owned small businesses for IT work and now delivers 90 percent of its IT production milestones, compared to the industry performance standard of 32 percent.

In addition, Secretary Shinseki stated that 73 percent of the employees at the VA National Cemetery Administration are veterans and have received the top rating in customer satisfaction across the private and public sectors for the last 10 years. He stated that these examples demonstrate that veterans make great employees.

Secretary Shinseki discussed a hiring opportunity that VA will hold in Detroit, Michigan, on June 26–29, 2012. He explained that the event had two main components: a hiring fair and a conference for small businesses owned by veterans and service-disabled veterans. Secretary Shinseki distinguished between a hiring fair and a job fair and explained that a hiring fair allows candidates to be hired on the spot if their credentials match the needs of a prospective employer. He noted that 24,000 jobs are currently available, over 200 employers plan to attend the hiring fair, and 5,000 veterans have preregistered. Secretary Shinseki stated that he is confident the final number of registrants will be closer to 10,000.

Secretary Shinseki described the process of the hiring fair, beginning with veterans using VA for Vets, an automated program that translates military occupational specialties into a civilian resume and gives the veteran an opportunity to revise the resume. He explained that the veteran then has an opportunity to participate in a test interview and can do as many test interviews as needed to feel comfortable with the interview process. Secretary Shinseki stated that the last step is for the veteran to interact with the 200 employers. He emphasized that the point of the hiring fair is to send veterans home with jobs, not to collect resumes and leave veterans hoping to hear from prospective employers.

Secretary Shinseki discussed the conference for small businesses owned by veterans and service-disabled veterans, which will be held in Detroit, Michigan. He highlighted the importance of successful small businesses and detailed how the conference will teach businesses to succeed. Secretary Shinseki expressed his enthusiasm for bringing these two perspectives together through the combined hiring fair and small business conference.

Secretary LaHood commended VA and stated that the hiring fair is a great opportunity for veterans. He reiterated the success of the hiring fair held in Washington, DC. Secretary LaHood noted his positive experiences with Governor Rick Snyder of Michigan and Mayor Dave Bing of Detroit when they worked together in 2011 to modernize transit facilities, and expressed his confidence in Detroit's leadership. He added that Detroit has been hit hard by tough economic times and stated there is no better place to hold this hiring opportunity, which will benefit many veterans.

Secretary LaHood asked Secretary Shinseki to discuss the Post-9/11 Servicemen's Readjustment Act of 1944 (G.I. Bill) and what the 21st century benefits entail.

Secretary Shinseki provided a brief history of the G.I. Bill, which expired in 1956, and explained how it contributed to the education of approximately 7.8 million veterans. He noted that the G.I. Bill produced 450,000 engineers, 240,000 law enforcement officers, 238,000 teachers, 91,000 scientists, 66,000 physicians, 21,000 dentists, and 1 million college-educated veterans. He explained that the World War II generation, armed with combat operational strengths and educational degrees, changed the course of U.S. history. Secretary Shinseki stated that because of the Post-9/11 G.I. Bill and other VA legacy programs, 1 million veterans and eligible family members are currently enrolled in 4-year institutions and community colleges. He noted that in October 2011, Congress provided an opportunity to include vocational training as a benefit. Secretary Shinseki commented on this broad opportunity and described the benefits. He expressed admiration for Gen. Omar Bradley's contribution to VA in 1944. Secretary Shinseki noted the Post-9/11 G.I. Bill is a continuation of this great benefit to veterans.

Secretary LaHood stated that new jobs will be created as the aviation industry grows in the coming years. He explained that it is necessary to expand the commercial fleet, which will result in new jobs in airports, aircraft maintenance, and air traffic control (ATC). He noted 3,000 air traffic controllers will be needed. Secretary LaHood affirmed the enormous opportunities and potential in the aviation field. He asked Secretary Shinseki to discuss the leadership skills veterans bring to jobs.

Secretary Shinseki noted his experience hosting small group sessions composed of chief executive officers (CEO) from Fortune 500 companies. He stated that he noticed over the course of 4 years that at least one of his guests would make a point to let him know when veterans were hired away from the military. Secretary Shinseki stated that he asked the CEOs what the veteran offered that was so attractive. He observed while many CEOs cited technical skills, they most often cited leadership and teamwork learned within a disciplined environment. Secretary Shinseki explained that veterans are very agile, willing, and able and have operational experience that enables them to develop a clear mission and build teams quickly. He stated that veterans have experience that is not taught in textbooks and that makes them uniquely qualified to handle tough projects.

Secretary LaHood closed the conversation by thanking Secretary Shinseki for sharing VA's important work. Secretary Shinseki thanked Secretary LaHood for his generosity and for the opportunity. He encouraged veterans to attend the hiring fair in Detroit, Michigan.

Assistant Secretary Kurland commented on the interesting conversation between Secretary LaHood and Secretary Shinseki. She called attention to the television monitors, which displayed the Web-based DOT Veteran Transportation Career Center.

Assistant Secretary Kurland explained that the Web site portal tells veterans what jobs are available and what steps to take to apply for each job. She noted that knowing the necessary steps is a critical issue. Assistant Secretary Kurland stated that the new resource is now live on the DOT Web site and provided the address: <http://www.dot.gov/veteranstransportationcareers/>.

Assistant Secretary Kurland thanked the following individuals for their hard work and commitment in organizing the conference: Mr. Tony Willett, Director of Implementation for FAAC, DOT; Ms. Mary Edmonson, DOT; Mr. Rick Pittaway, DOT; Mr. Ryan Mayfield, DOT; and Ms. Bonnie Gray, Federal Aviation Administration (FAA).

LABOR PANEL

ANATOMY OF SUCCESSFUL WORKFORCE-MANAGEMENT RELATIONS

Assistant Secretary Kurland stated that the next conversation will concern the anatomy of successful workforce-management relations. She stated that Mr. David Grizzle, Chief Operating Officer for the Air Traffic Organization (ATO), FAA, is reprising his role from the first workforce-management conference. Assistant Secretary Kurland noted the following individuals will participate in the conversation: Mr. John Conley, American Federation of Labor-Congress of Industrial Organizations (AFL-CIO), Transport Workers Union (TWU); Mr. Doug McKeen, United Airlines; Capt. Lee Moak, Air Line Pilots Association, International (ALPA); and Mr. Doug Steenland, formerly Northwest Airlines.

Mr. Grizzle thanked Assistant Secretary Kurland and the panelists for their participation and noted the panel is a great representation of both labor and management. He also thanked Capt. Moak and Mr. Conley for joining the panel for the second year and for being willing to contribute to the discussion again.

Mr. Grizzle stated that at the last conference, Mr. Conley noted the labor panel had taken too light a touch on difficult issues. He suggested it needs to dig deeper at the issues that present themselves in workforce-management relations. Mr. Grizzle stated that the title of the panel is “The Anatomy of Successful Workforce-Management Relations” and noted that he wants to add an underlying theme about how to maintain collaborative and productive workforce-management relations during times of relationship stress. He explained that the focus will be on bankruptcy, mergers, business model transformation, and contract renewal. Mr. Grizzle asked the panel if he missed any other stressors.

Mr. McKeen stated that it was a good list, and Mr. Steenland added the stressor of technological change, noting these changes alter productivity at their introduction. Mr. Grizzle stated that a good example of this stressor is when Northwest Airlines installed boarding pass printers at airports. Mr. Steenland agreed and stated that such a change impacted the majority of passengers but also caused a fundamental shift in the workforce.

Mr. Grizzle asked Mr. Conley what he first thinks when he hears about a technological innovation that may change working conditions for the workforce. Mr. Conley stated that his first thought in this situation is that new technologies may result in job loss. He noted he also considers the need for proper training to manage the advances. Mr. Conley stated that he never envisioned self-guiding systems to marshal aircraft to the gate without a lead-in person, but when the technology was introduced, he thought it would result in a job loss. He also cited the technological system that negotiates and navigates inside a cargo hold, which also reduces the need for additional personnel inside the aircraft. Mr. Conley noted these technological changes are ergonomically better and prevent injuries, but his first thought concerned the reduced number of employees needed.

Mr. Grizzle noted Government employees deal with relationship stressors as well. He stated that the Government does not experience bankruptcies, but it does have contract and budget relationships. Mr. Grizzle asked the panel to keep the Government perspective in mind while answering questions, because most of the audience members are Government employees. He asked the panel if it believes productive, collaborative workforce-management relationships can be maintained during relationship stressors without affecting safety and productivity.

Capt. Moak stated that this is possible and that the economics of leadership underscore certain stressors, such as mergers and technological changes. He noted the friction typically comes from the labor side because of economic considerations and an organization's need to remain financially viable and sustainable. Capt. Moak stated that workers want to feel secure in their company's future.

Capt. Moak stated that there are sometimes limited options for organization executives and elected Government officials when dealing with these intense financial pressures, which in turn causes friction for labor groups. He explained that not only *can* these relationships be maintained, but as they affect safety and security, these relationships *must* be maintained. Capt. Moak stated that companies should focus on the 95 percent of the business that is positive rather than the remaining 5 percent that causes friction. He emphasized that the 5 percent cannot define the relationship.

Mr. Grizzle asked Mr. McKeen what he would add to Capt. Moak's statement, with respect to mergers, contract renewals, and business model changes. Mr. McKeen stated that Capt. Moak understands that relationships must be maintained. He stressed the need to develop stronger relationships. He stated that Capt. Moak's ratio of 95 to 5 percent sounds light in terms of the periods of difficulty that air carriers face. Mr. McKeen noted safety issues are at the core of what air carriers do every day, many of which are difficult to solve. He stated that to get any issue resolved, the parties involved must be responsible, respectful, and interested in the intertwined relationships with one another, especially in the periods of difficulty.

Mr. Grizzle asked Mr. Steenland if maintaining relationships works as smoothly as the other panelists have indicated. He asked if there are times when relationships fail. Mr. Steenland stated that, unfortunately, situations do not always work out favorably. He explained that looking back over the last several years, any number of major air carriers were on the brink of failure, and those that survived had responsible leadership in both management and the workforce, with both parties recognizing that preservation of the enterprise was paramount. Mr. Steenland stated that if the entity was not profitable, sustainable, and earning the cost of capital, constant periods of peril would result. He explained that both parties need to share that view and commit to transparency. Mr. Steenland stated that a degree of trust and mutuality allows relationships to succeed through these stressors.

Mr. Steenland stated that there have been failures where labor and management blame each other, although it does not happen often. He observed that the emphasis in those cases is on grabbing a piece of the financial pie from one side or the other, and noted this mentality does not take into account the overarching success of the business.

Mr. Steenland stated that this type of situation is evident when management tries to drive too hard a bargain while negotiating. He explained that a win-win situation is needed.

Mr. Steenland noted virtually every air carrier had to make difficult decisions during this recent period of economic strain, and that as the air carriers emerge from this period, they have a realistic view of what needs to be done moving forward.

Mr. Grizzle asked Capt. Moak and Mr. Conley if the improvement in the management-labor relationship is a recent phenomenon and if both parties are smarter and have a better understanding than 25 years ago. Capt. Moak stated that the Government passed the Airline Deregulation Act, in 1978. He explained that the air carriers were not prepared for that change and as a result, 25 years later, 200 bankruptcies have been filed, thousands of employees have been impacted, and common bond pensions have been terminated. Capt. Moak stated that the Government passed this act to provide a better customer product and better competition and that the current consolidation efforts were made in the hope of improving the state of the air carrier industry.

Capt. Moak explained that Government policy fundamentally affects how air carriers compete in the global marketplace, which affects air carriers' ability to provide safe, secure, and affordable air travel. He stated that air carriers have weathered a large number of stressors and are now in a great position to compete, but only if the Government realizes that and supports them.

Capt. Moak referred to Secretary LaHood's statement in the previous panel about creating aviation jobs in the near future. He stated that the opportunity is incredible but noted those jobs must stay in the United States rather than move overseas where air carriers can avoid regulations and taxes. Capt. Moak stated that air carriers have learned a lot over the last 25 years, but need to work collaboratively with the Government to maintain policies that benefit them.

Mr. Conley stated that the devastation of the last decade is a travesty. He explained that labor groups must be included in financial conversations in order to move forward. Mr. Conley stated that it is necessary for the labor groups to sit with air carrier CEOs and have open and frank discussions about processes, policies, and Government regulations to find a way to lobby for a common goal, which is to have healthy employers. He stated that CEOs must openly display the courage that is necessary to achieve this goal.

Mr. Steenland stated that the system is broken because there is no way to resolve issues at the table at this time. He noted the economy cannot afford an air carrier employee strike because of consolidation. Mr. Steenland explained that some regions of the country are dependent on air travel, but no mechanism exists to resolve issues. He stated that given the magnitude of the issues, they must be resolved through a mutually acceptable process.

Mr. Grizzle stated that he hears two positions in those responses: the Government needs to do more and it should stay out of the way. He asked what balance will maintain good workforce-management relations.

Mr. Steenland stated that his bias is for less interaction with regard to taxation and subsidies. He stated that the safety-labor relationship needs more focus, and some labor-management issues are broken and must be fixed.

Mr. McKeen stated that groups are able to come together and develop relationships through a common interest. He noted the issues being discussed are difficult and greatly impact all parties involved, which means it will take time to resolve them. Mr. McKeen stated that section 6 of the Railway Labor Act of 1926, Negotiations Procedures, should be consistently applied because it allows for continuous conversations between workforce and management.

Capt. Moak explained that the Railway Labor Act allowed labor and management to negotiate among themselves. He stated that an opportunity exists again to work together through substantive conversations to determine the construct and processes necessary for success.

Capt. Moak stated that Government policies are in place for the safety and security of air carriers, but that some countries flying aircraft into the United States do not have to adhere to the same regulations. He stressed that if U.S. air carriers are to maintain a competitive cost advantage, U.S. standards must be brought to the International Civil Aviation Organization with the goal of making them universal. Capt. Moak stated that there should not be a situation in which air carriers have to compete for safety, security, and training. He explained that the economics of labor and competition create a great amount of friction, and the international playing field must be leveled for air carriers to remain viable and competitive.

Mr. Grizzle stated that competitive pressures exist that increase stress on workforce-management relations. He noted the Government does not have a single bottom line and asked the panel if this makes it easier or harder to maintain good workforce-management relations.

Mr. Steenland explained that state and local governments find themselves in a similar situation to the aviation industry in which they examine their bottom line and go to the bond market to fund deficits they incurred. He stated if that option is not available, the governments find themselves going through the same stressors the air carriers are experiencing: reducing staff and pensions. Mr. Steenland expressed his hope that they find a solution before getting to the bottom line.

Mr. Grizzle asked Mr. Steenland if some bottom lines are more unforgiving than others. Mr. Steenland answered yes and explained that some stressors are significantly difficult. He noted the Government does not understand the consequences of these stressors, as it has not experienced them yet.

Mr. Conley noted the panelists were present because of Secretary LaHood's leadership. He stressed the importance of these discussions. He stated that relationships cannot be regulated or governed by an outside entity and must be fostered within each organization. Mr. Conley referred to Mr. Jim Senegal, co-founder of Costco, who stated that culture is not the most important thing, but rather the only thing. He noted part of being successful is embracing the issues that exist within a company.

Mr. Conley stated that part of this discussion is about determining what it takes to enhance the bottom line. He noted regardless of what the bottom line is, there are always external forces. Mr. Conley explained in the private sector, profitability is the bottom line and leaders must have a serious conversation about remaining competitive to remain profitable. He stated that the fees and taxes can impede on profits and opportunity, but an air carrier can do nothing about the fee and tax structure.

Mr. Grizzle noted that in preparing for this panel discussion, Mr. Conley identified relationships as the only truly enduring part of the process. Mr. Grizzle stated that air carrier brands will come and go, but the relationships between various groups will remain the same.

Capt. Moak stated that the Government should follow the FAAC's recommendations for taxes and fees because the current system is not consistent. He stated that the Government must determine what type of tax structure is needed to finance the Next Generation Air Transportation System (NextGen). Capt. Moak stated that the term "Airport and Airway Trust Fund" should be revised by the Government because it does not accurately represent the funds. He stated that the Government should change the taxes and fees to a more appropriate size. Capt. Moak stated that the Government should be providing for some parts of the new infrastructure while others should have fees associated with them to help balance the currently lopsided nature of fees.

Capt. Moak noted there are higher taxes and fees on air travel than on items such as alcohol, firearms, and tobacco. He referred to Secretary LaHood's comment from the previous panel about the opportunity to create new jobs in the air carrier industry. Capt. Moak then stated that air carriers will not be able to support new jobs without a change in the taxes.

Capt. Moak stated that the air carrier industry has not advocated enough for lower tax brackets. He added that now is the time to review the tax structure and make it more fair to the current air carrier industry.

Mr. Grizzle asked the panelists what practices or behaviors are so toxic to relations between workforce and management that they should be avoided. Mr. Steenland stated that not having face-to-face discussions between management and workforce is toxic. He added that a company will fail if these conversations are not conducted. Mr. Steenland stated that the parties must also hold a common view of the underlying economics. He explained that when dealing with tough issues, it is far harder to be successful if the other party is a stranger or someone who cannot be trusted.

Mr. McKeen stated that the fatal flaw is dishonesty. He stressed the importance of creating relationships in which there are no surprises and added that honesty is imperative in fostering this type of relationship. Capt. Moak reiterated his earlier comment about not focusing on the 5 percent of the business that causes friction. He encouraged audience members to always continue the dialogue, especially when times are tough. Mr. Conley stressed that others must be treated as an asset, and not as a liability. He stated that assets are preserved and enhanced, and that when people are treated as assets, successful relationships are a natural byproduct.

Mr. Grizzle noted that his colleague, Ms. Trish Gilbert, National Air Traffic Controllers Association (NATCA), was in the audience. He stated that he is very proud of both the relationship between ATO and NATCA and their recent contract expansion. Mr. Grizzle asked Mr. Conley what organizations can do during good times to ensure they are prepared for the tough times. Mr. Grizzle also asked Mr. Conley if organizations can store up good will for the future.

Mr. Conley stated that there is no way to store up good will for the future; all relationships must deal in the moment. He explained that good relationships take constant work and must be continually cultivated. Mr. Conley stated that organizations cannot let speed bumps disengage their efforts and should approach each day with the same level of commitment, regardless of whether the organization is in an up cycle or a trough.

Capt. Moak stated that the workforce-management relationship is complicated but also must be worked on continuously. Mr. McKeen stated that while the relationships are difficult they are also rewarding. He stressed that how managers deal with each day is critical, as is sharing successes through initiatives such as profit sharing. Mr. McKeen stated that success requires a joint enterprise.

Mr. Steenland stated that an ongoing process of transparency is always helpful. He explained that it becomes easier to reach a resolution as more people accept fact-based issues. Mr. Steenland noted each situation brings its own set of pressures but having an understanding of each party's pressures helps find the compromise. He stated that a common understanding of challenges, based on facts, helps to narrow the gap.

Mr. Grizzle asked the audience if it had any questions for the panelists.

Dr. Tara Harl, Aviation Workforce Development, referred to the book "Hard Landing" by Thomas Petzinger, Jr., which details the process of deregulation. She asked the panelists for their perspectives on the book.

Mr. Steenland stated that the industry has fundamentally changed. He noted that as a result of the recent consolidation, he hopes there will be an ongoing, stable level of profitability. Mr. Steenland explained "Hard Landing" presents many challenges the air carrier industry faced, both for the workforce and for management. He stated that the focus was on survival, which led to a set of behaviors and consequences. Mr. Steenland added that the air carrier industry is now past focusing on survival and is focusing instead on how to better serve customers and employees while growing market share. He stated that this mindset is more constructive and he hopes the business will continue to evolve. He noted that this era, from 9/11 to the present, is a new chapter and this new chapter will be more robust because air carriers can focus on the positives rather than trying to make payroll.

Capt. Moak stated that he believes the air carrier industry is still in survival mode. He noted the book espouses the message that air carriers that did not adapt failed. Capt. Moak stated that in the current marketplace an air carrier that does not adapt quickly enough is still subject to failure.

Mr. Grizzle asked the audience if there were any additional questions. With no response, he thanked the panelists for their judgment, stability, and wisdom.

PROGRESS ON THE MOU

PROGRESS ON THE MEMORANDUM OF UNDERSTANDING WITH THE U.S. DEPARTMENT OF LABOR AND THE U.S. DEPARTMENT OF EDUCATION

Assistant Secretary Kurland thanked Mr. Grizzle and the panel for their thought-provoking discussion. She noted that Secretary LaHood signed a memorandum of understanding (MOU) with the Secretary of Labor, the Honorable Hilda Solis, and the Secretary of Education, the Honorable Arne Duncan at the inaugural Aviation Workforce-Management Conference in September 2011. Assistant Secretary Kurland introduced Ms. Victoria Wassmer, Assistant Administrator for Finance and Management, FAA, who provided an update on the work that has been done since the MOU was signed.

Ms. Wassmer stated that the connections, collaboration, and partnerships called for in the MOU are crucial to the United States' workforce and DOT. She noted the MOU called for the three departments to work together to build the transportation workforce of today and to provide Science, Technology, Engineering, and Math (STEM) education for the future workforce. Ms. Wassmer stressed that the MOU has not been "sitting on a shelf" but has been used to connect labor with management and safety with industry. She added that the MOU is about connecting the workforce of today and the workforce of tomorrow.

Ms. Wassmer stated that connection, collaboration, and partnership are at the core of the MOU and its efforts to promote STEM educational programs and career pathways. She explained that the three agencies collectively developed a workforce plan titled "Building a Transportation Workforce for Today." Ms. Wassmer stated that the goal of this plan is to develop and implement strategies to recruit and retain a diverse workforce to meet the transportation needs of the 21st century. She added that this plan outlines key objectives to increase the number of trained and skilled transportation career workforce members.

Ms. Wassmer stated that in coordination with the U.S. Department of Labor and the U.S. Department of Education, DOT has launched a Web portal featuring a transportation career section on the VA for Vets Web site. She noted the Web site hosts key transportation career information and certification requirements.

Ms. Wassmer stated that three agencies have partnered with the National Coalition of Certification Centers (NC3) to implement an awareness campaign that promotes industry and education partnerships focused on creating interest in aerospace careers. She explained that NC3 builds on the partnerships between community college educators, industry, and Government to support a highly skilled and technical workforce. Ms. Wassmer noted the groups are continuing their efforts to strengthen the FAA's STEM program in aviation and space education.

Ms. Wassmer noted that in 2011, over 143,000 students, nearly 7,000 educators, and approximately 129,000 other participants played an integral part in the combined activities of the STEM education program. She stated that DOT sponsors a hands-on interactive program for girls and young women aged 13–18, titled “Transportation YOU,” which introduces participants to a wide variety of transportation careers. Ms. Wassmer stated that 25 participants visited the FAA command center in 2011.

Ms. Wassmer stated that roundtable discussions to promote STEM education are planned for locations around the country, and the agencies are building on partnerships and collaboration to promote aerospace education. She noted that more than a dozen aerospace industry partners have signed MOUs to help DOT promote STEM education, including the Aviation Career Education Summer Academies, the Real World Design Challenge, Build a Plane, the Dream Launch Tour, National Aeronautics and Space Administration (NASA) Smart Skies, NC3, the FAA STEM outreach counselors, teachers’ workshops, and career expositions. Ms. Wassmer stressed that these programs represent a combination of partnerships between industry and Government, education and aviation, and different agencies.

Ms. Wassmer explained that the Yuut Elitnaurviat Academy in Bethel, Alaska, was created to train native Alaskan young adults for local careers and has added aviation training to its curriculum. She stated that the academy helps meet the aviation demands of the state, where over 80,000 villages and towns are accessible only by air. Ms. Wassmer stated that the students at the academy discussed the economic opportunity it presents, and explained this benefits the communities because aviation comprises over 8 percent of the economy and 10 percent of the workforce in Alaska.

Ms. Wassmer stated that Government and industry ambassadors are needed to help connect the workforce of today with the workforce of tomorrow. She recommended leveraging other partnerships to promote STEM education in the industry. Ms. Wassmer recognized industry partners Bell Helicopter, The Boeing Company (Boeing), Gulfstream Aerospace Corporation (Gulfstream), Honeywell, Rockwell Collins, and Veterans Airlift Command for their efforts to promote STEM education.

Ms. Wassmer reiterated that the purpose of the MOU is to promote partnerships to educate and develop the future workforce. She noted it deals with real stories and real people. Ms. Wassmer stressed that the success of STEM education depends on participation.

Ms. Wassmer discussed the Real World Design Challenge, an engineering competition for high school students, and cited it as an example of meeting Secretary LaHood’s goal of collaboration to benefit the workforce of tomorrow. She described a letter that the mother of a student from Vermont sent to the program office. Ms. Wassmer explained that the student’s mother expressed amazement with the list of judges for the competition, knowing they had come from all over to participate. She added that the student’s mother stated she felt like she was in a room with the most intelligent people in the country.

Ms. Wassmer emphasized that 74 federal employees and 56 industry partners collaborated to bring the national Real World Design Challenge program to its conclusion. She added that 10 student teams received awards after the final competition, which was held on the National Mall in Washington, DC, on April 25, 2012.

Ms. Wassmer stated that children are looking to grow and learn, and they do not care how; they just want people and resources to be available to them. She added that it is up to academia and Government to get resources to the students. Ms. Wassmer emphasized that the MOU is all about connections, collaboration, and partnerships. She noted the students and veterans the program reaches today will become the technical workers and leaders of tomorrow.

Assistant Secretary Kurland thanked Ms. Wassmer and stated that the DOT takes the efforts under the MOU very seriously. She encouraged attendees to contact the DOT with any other ideas. Assistant Secretary Kurland dismissed the attendees for a short break.

WORKFORCE PANEL

SPURRING WORKFORCE DEVELOPMENT

Assistant Secretary Kurland introduced the panel and stated that the panelists have shown dedication to STEM, women in transportation, veterans, and the aging workforce. She welcomed the moderator, Dr. Tara Harl, and the panel of experts: Mr. Tim Farley, Gulfstream; Ms. Trish Gilbert, NATCA; Mr. Jamail Larkins, Ascension Aviation; and Dr. Patricia Watts, Air Transportation Centers of Excellence, FAA.

Dr. Harl stated that the panel is comprised of people with a passion for the next generation of workers and a desire to see young people pursue a career in aviation. She noted the aviation field is a lifestyle and not just a job. Dr. Harl explained that she is the executive director of a new nonprofit organization dedicated to consolidating information on aviation careers. She added that the nonprofit organization was created because aviation career information is spread across many Web sites and other resources, and a gateway was needed to provide access to as much information as possible. Dr. Harl stated that the group is excited about the Web pages dedicated to veterans and diversity in the workforce. She asked the members of the panel to introduce themselves.

Ms. Gilbert explained that she is the executive vice president of NATCA, which is the labor union that represents FAA air traffic controllers, federal contract air traffic controllers, and other aviation professionals outside the FAA. She stated that she has worked for more than 25 years as both a union representative and an air traffic controller at Houston Center. Ms. Gilbert stressed that she is proud of and passionate about the safety of the system and the work she does on behalf of the aviation workforce. She added that she feels privileged to be part of a panel that seeks to find better ways to recruit and retain workers for the aviation field.

Mr. Larkins stated that he is the president and CEO of Ascension Aviation, a Georgia-based aircraft sales and leasing company. He noted that he works with the FAA as an ambassador for aviation and space education, which requires him to travel to approximately 19 cities per year to talk to middle school, high school, and college students about aviation career opportunities.

Dr. Watts stated that she works for the FAA Centers of Excellence program office. She explained that DOT has 85 grant programs, including the University Transportation Centers and the Centers of Excellence. Dr. Watts added that since enabling legislation was enacted in the early 1990s, the FAA has established 10 centers focused on various topics. She noted the FAA expects to start a new general aviation center in 2012 and a new unmanned aircraft systems center in 2013. Dr. Watts explained that approximately 75 universities throughout the country support the centers and the FAA has fully supported the program for the past 2 decades. She added that several hundred students are involved in the centers at any given time.

Mr. Farley stated that he is the vice president of engineering for Gulfstream. He explained that he is the person who hires aviation professionals. Mr. Farley noted that over 1,200 engineers work for him, up from 200 when he started working for Gulfstream 20 years ago. He added that as the main recruiter for Gulfstream, he is heavily involved in the STEM program. Mr. Farley stated that he used to start working with high school students to fill college programs, but because aviation careers have lost their appeal for many people, recruitment now must start in grade schools.

Dr. Harl thanked Ms. Wassmer for the information she provided. She noted that statistics drive this panel, and stated that by the year 2020, 100,000 STEM teachers will be needed, and there will be 35,000 new aircraft, requiring 500,000 technicians and up to 400,000 airline pilots.

Dr. Harl explained that it is important to look at gaps in what STEM provides for women and minorities who wish to pursue aviation careers. She noted that large numbers of workers from the baby boom generation are retiring and the industry is losing a large percentage of its experienced workforce. Dr. Harl emphasized the importance of getting ahead of the talent.

Ms. Gilbert stated that the statistics are interesting and those related to the ATC workforce are largely affected by the 1981 strike. She noted the ATC workforce is small, with only 15,000 controllers who are predominantly male and not as diverse as she would like. Ms. Gilbert stressed the importance of getting into schools early and promoting ATC careers. She added that the focus must be on how to get the job, citing the lack of a bridge from high school to college to hiring.

Ms. Gilbert detailed the steps she took to become an air traffic controller, noting she worked part time at an airport while in college and met an air traffic controller who invited her to visit the facility. She stated that she visited, took the test, and has worked as an air traffic controller for 24 years. Ms. Gilbert stressed that having worked in a Government agency for 24 years, she knows how difficult it can be to cut through red tape and it would be impossible without the MOU. She applauded Ms. Wassmer's efforts.

Mr. Farley stressed the importance of developing a mentoring program in grade schools. He stated that many students equate a career in aviation with being a pilot and do not understand that many other jobs in the field exist that can turn into a good career. Mr. Farley noted many students get excited about other career opportunities when they tour the Gulfstream facilities.

Mr. Larkins stressed that better communication is needed about opportunities. He stated that he travels to high schools and middle schools across the country and is amazed at how few students are aware of the different opportunities. Mr. Larkins noted that while beginning a career in aviation is expensive, there are scholarships and grants to help students get into the industry. He noted, however, that few students apply for them. Mr. Larkins reiterated that it is necessary to educate students about opportunities to enter the aviation field and then further their careers.

Dr. Watts stated that, through the Centers of Excellence Universities, she is the recipient of everyone's hard work to get students on the right path. She noted the FAA makes a 10-year commitment to the Centers of Excellence when they are established, which fosters long-term educational pursuits. Dr. Watts added that hundreds of students have graduated through the Centers of Excellence programs. As an example of a school that provides coursework at the undergraduate and graduate levels, she cited Edmonds Community College in Lynwood, Washington, which houses the Center of Excellence for Aerospace and Advanced Materials Manufacturing.

Dr. Harl noted many programs already exist to provide specialized education to students. She highlighted outreach programs sponsored by the FAA, the National Business Aviation Association (NBAA), the National Transportation Safety Board, and NASA. Dr. Harl stressed that although collegiate-level and Government-sponsored programs exist, there is frustration within these programs because there is little awareness of what other groups are doing. She asserted that the goal is to bring programs together and focus on the small amount of resources available.

Ms. Gilbert stated that she wants to add the labor perspective to the discussion. She referred to Capt. Moak's comments from the labor panel, reiterating that the aviation industry is still in survival mode. Ms. Gilbert noted that it is difficult to recruit when the industry is unstable and the public lacks confidence in it. She stressed the need to compete globally and to harmonize national and international technologies and procedures. Ms. Gilbert asserted that convincing an individual to make a commitment to aviation is difficult when the future of the industry is uncertain.

Mr. Farley discussed Gulfstream's co-op program. He explained that students serve as interns for three or four rotations, Gulfstream invests heavily in them, and the students traditionally leave if they do not receive a job offer. Mr. Farley stated that Gulfstream now makes the commitment to offer each student a full-time job when the internship ends with 1 year of school remaining. He noted this keeps the recruitment process moving, because the student and Gulfstream are committed to each other.

Mr. Farley stated that Gulfstream has an employee retention program. He explained that employees who wish to earn a master's degree or Ph.D. can do so through a partnership Gulfstream formed with Embry-Riddle Aeronautical University. Mr. Farley noted that technology changes so fast in the aviation industry that a 4-year degree becomes obsolete 2 years after it is earned.

Dr. Watts stated that the Centers of Excellence Universities accept co-op students to work wherever the FAA needs them. She noted that there was a mentoring program with the University of Colorado in the past, through which graduate students mentored undergraduates and undergraduates mentored high school students. Dr. Watts stated that the Centers of Excellence structure and strategy takes advantage of student initiative.

Mr. Farley stressed the importance of the mentoring relationship, explaining that former students are tied to current students through mentoring. He observed that four generations are now in the workforce and it can be difficult for them to relate to each other. Mr. Farley stated that these mentorships tie the workforce together despite age differences.

Ms. Gilbert agreed that a generational gap exists in the workforce and reported that she has seen it within the FAA and ATC workforces. She stated that the 1981 strike resulted in the loss of 11,000 of 17,000 air traffic controllers. Ms. Gilbert added that there are now 15,000 air traffic controllers, of whom 3,200 are eligible to retire. She noted that many air traffic controllers were hired through 1990 and no one was hired from approximately 1991 until 2003, which created a large age gap in the ATC workforce.

Ms. Gilbert contended that newly hired individuals learn differently and want different forms of instruction. She stressed that those currently in the industry must understand the diversity and work to avoid conflict in the workplace. Ms. Gilbert stated that it is important to not only mentor new hires, but to understand why they want information the way they do. She emphasized the importance of ensuring that older workers treat younger workers with respect, and to reach across to management to assist with training.

Dr. Harl stressed the importance of diversity, stating that the traditionally white, male-dominated workforce is changing. She noted that it is time to hire a more diverse aviation workforce.

Mr. Larkins stated that although it is difficult, aviation industry representatives must do a better job of recruiting from diverse backgrounds. He cited an Aircraft Owners and Pilots Association survey conducted to determine why the pilot population is decreasing. Mr. Larkins reported that people did not lack the desire or commitment to complete their training, but that 80 percent of those who train to fly quit before receiving their private pilot certificate. He suggested that one reason is a lack of mentorship or motivation through difficult situations.

Mr. Larkins contended that this problem applies to many different aviation jobs. He expressed concern that many General Aviation airports seem unwelcoming because of older workers, airplanes, and hangars. Mr. Larkins stated that a dynamic shift is required.

Mr. Farley stated that aviation is a global industry that takes a great deal of effort to keep running. He noted clients come from different cultures and speak different languages. Mr. Farley maintained that it is important to use the different experiences and talents of a company's employees.

Dr. Harl noted there is little research on the experiences of the Black community in aviation. She stated that the industry lost generations of mentors when the Tuskegee Airmen were shut out after World War II. Dr. Harl stressed that the industry must develop more mentors in the Black community. She urged attendees to reach out to students in fourth through eighth grade to encourage science and math proficiency.

Mr. Farley reported that Gulfstream employees created a Society of Women Engineers. He agreed that students must be reached at a young age. He noted that Gulfstream has a program to bring students and teachers into the company through summer programs. Mr. Farley stated that these programs introduce the participants to the practical side of the aviation industry. He urged the attendees to be open to many facets of education and training.

Dr. Watts stated the Centers of Excellence legislation mandates that universities must match FAA grants, which forces the faculty to work with the industry to secure a match for FAA funds. She noted that doing so creates a solid partnership, which is important to the industry's continued growth.

Mr. Larkins expressed pride in the work he has done in partnership with the FAA since 2004. He noted that he has seen the FAA's commitment to grow during this period and stated he is impressed by that growth. Mr. Larkins stressed the benefits of partnerships with industry outsiders to expose young people to the aviation industry at a young age.

Dr. Harl noted the majority of kindergarten through 12th grade teachers in the United States are white women. She stated that fewer than 20 women currently teach collegiate aviation in the United States, so young girls do not see female professors with whom they can identify. Dr. Harl stressed that the numbers are even lower for Black women, Asian women, and Black men. She urged attendees to work on increasing diversity in the aviation workforce and aviation education.

Mr. Farley stated that the military does a good job of creating a diverse workforce. He noted that Gulfstream hired 1,700 people in 2011 and 25 percent of them were veterans. Mr. Farley added that the military creates a good workforce for the industry, and the personal leadership skills veterans possess are important. He contended that veterans provide the industry with an excellent labor source and urged attendees to hire them.

Ms. Gilbert noted that G.I. Bill benefits were not available for ATC education programs until 2008. She stressed the importance of providing benefits for training that occurs within the FAA. Therefore, she urged attendees to ensure all available benefits are being used.

Dr. Harl observed that the veteran workforce is as diverse as the military aviation workforce. She stated that veterans are an incredible pool from which to draw workers but it is hard for them to get into the workforce. Dr. Harl contended that other industries are more effectively recruiting veterans.

Dr. Watts stated that it is important to recognize the contributions of young people. She described a "Student of the Year" program the Council of University Transportation Centers sponsors with the support of the DOT. Dr. Watts referred to an awards ceremony held in Washington, DC, and stated that recognition of an individual student goes far. She applauded the faculty, employees, and students for their work with the program and stressed the importance of FAA and DOT support.

Dr. Harl stated that the panel discussed statistics and programs and asked the panel members to address their frustrations in bringing everything together and focusing their efforts on a single area.

Mr. Farley asserted that the panel members all have a strong passion for the industry and must explore how they can work together. He recommended evaluating the effects of STEM and college partnerships. Mr. Farley advised the conference attendees to avoid being selfish and to make joint efforts. He noted recruitment is stewardship and not a job. Mr. Farley urged attendees to create the conditions for industry growth and to always be mindful of what is being accomplished.

Dr. Harl stated that the figures do not show an increase in the numbers of minorities going into aviation training, despite programs such as the Experimental Aircraft Association Young Eagles that have been created to expose young people to the industry.

Mr. Larkins asserted that long-term investments are needed. He stated that reaching students in sixth, seventh, or eighth grade is not enough. He urged continued work with students throughout their education.

Dr. Watts stressed the power of partnership and the ability to make an impact by working together. She noted that connecting can be difficult but the results of a collective effort are inspiring. Dr. Watts stated that there is more to be done and urged those who are passionate about the aviation industry to reach out to each other. She observed that organizations and relationships change and that she sees the reality of that every day. Dr. Watts stressed the importance of staying connected.

Dr. Harl urged attendees to continue the discussions and to create a synergy of ideas between organizations. She stated she has not seen the numbers change much in 20 years despite a passion for diversity among those in the industry and in academia. Dr. Harl stressed the importance of examining programs' effectiveness and evaluating any necessary changes. She recommended working together in groups rather than competing for resources.

Ms. Gilbert stated that from the Government perspective, the industry can do better with metrics. She noted that plans are made and implemented but the accomplishments are never reviewed. Ms. Gilbert added there have been many plans to bring veterans into the workplace and some have worked well, but others have not. She urged attendees to work with management to evaluate the success of such programs and learn from past programs. She added that this can be difficult to do without data.

Mr. Farley stated that with an aging workforce preparing to retire, a new workforce coming in, and global competition putting pressure on the industry, it is important to evaluate what can be done to improve the industry. He stressed the importance of a united effort.

Ms. Gilbert asserted that employers must be high quality to attract quality employees. She stated that employees that are treated with respect will help accomplish goals. Ms. Gilbert urged employers to talk to their employees and work through issues.

Dr. Harl noted she grew up in a military family and stated that she would like the civilian industry to use the military model regarding diversity and promotions. She asserted that the civilian industry would benefit from adopting the military model.

Dr. Harl concluded the panel discussion by stating that there are many opportunities to help the aviation industry grow. She urged attendees to focus on working together and evaluating the success of programs while examining whether more can be done. Dr. Harl then invited the conference attendees to ask questions.

Mr. Grizzle stated that large passenger airlines are the most visible face of aviation in the United States and noted they are constantly in bankruptcy. He asked what argument the panel would make to high school students to encourage them to choose aviation as a career.

Mr. Farley responded that the airlines are what people see first when they think of the aviation industry but are not all there is to the industry. He noted that Gulfstream is growing but enticing young people to choose a career in aviation is a challenge. Mr. Farley stated that it is important to communicate positive information about the industry to students so they hear more than just the negative information.

Dr. Harl stated that making young people see a return on their investment for aviation training is difficult. She noted aviation students come out of school with \$100,000 in debt and it is harder to make their investment back than in a field such as law or medicine.

Ms. Gilbert added that many jobs are available and the aviation industry must evaluate how it can better compete with other industries.

Mr. Tony Fowler, U.S. Department of Education, congratulated Gulfstream on its efforts to cultivate and grow the workforce and its involvement with state education agencies in Georgia. He asked how those projects and activities evolved.

Mr. Farley replied that he works with local schools to involve students in real-world projects. He stated that there are constant efforts at all levels of the Georgia school system to cultivate the future aviation workforce.

Dr. Harl stated that the industry needs more research on why there are still low minority numbers in aviation after civil rights reforms. She noted that she wants to see those numbers improve.

Mr. Jim Brough, FAA, thanked the panel for its presentation and stated that the aviation industry is at a crossroads. He urged attendees to spread the message that diverse backgrounds and experiences have a place in the aviation industry. Mr. Brough asked what efforts the panel would make to ensure schools are aware that the aviation industry is not just pilots and air traffic controllers and that students should not dismiss the aviation industry as a possible career path because of an interest in another area.

Dr. Harl responded that any career field can fit into the aviation industry, but Hollywood constantly depicts pilots as the only career in aviation.

Mr. Farley stated that Gulfstream holds an aviation career day, during which students are introduced to all aspects of the company. He stated that the career day allows students to see the whole spectrum of careers tied to aviation, including interior design and nursing.

Dr. Harl thanked the panel and urged attendees to stay connected.

SAFETY PANEL

IMPROVING A RECORD THAT IS SECOND TO NONE

Assistant Secretary Kurland thanked the workforce panel for its engaging discussion and fruitful thoughts. She noted that safety is undoubtedly aviation's biggest driver and quoted Secretary LaHood: "Safety is job one." Assistant Secretary Kurland stated that the panel members for the next portion of the conference are making safety happen at the grassroots level. She introduced the moderator, Mr. John Porcari Deputy Secretary of Transportation,.

Mr. Porcari thanked Assistant Secretary Kurland and stated that safety is the cornerstone of aviation. He provided a brief overview of Destination 2025 and explained how specific, aggressive goals were set for the aviation industry to achieve by the year 2025. Mr. Porcari added that Destination 2025 is a metric of the fundamental transformation of the aviation system. He listed the key elements: on-time performance; routine, uneventful, safe flying; and manned and unmanned flights operating together within the National Airspace System (NAS). Mr. Porcari stated that collaboration is the key to successful advancement. He noted that constant work is required to achieve the goal of maintaining the safest aviation system in the world. Mr. Porcari stated that technology, people, and products play key roles in Destination 2025. He explained how NextGen fits into the framework and stated that the discussion would be conducted as if it was currently the year 2025.

Mr. Porcari provided context for the panel and noted that in 2025 the aviation industry now carries 1 billion passengers and FAA tower operations have grown 20 percent since 2012. He introduced the panel: Mr. Jim Crites, Dallas/Fort Worth International Airport; Ms. Peggy Gilligan, FAA; Mr. Ken Hylander, Delta Air Lines; Capt. Carl Kuwitzky, ALPA; Ms. Veda Shook, Association of Flight Attendants (AFA)-Communication Workers of America (CWA); and Mr. David Traynham, Boeing.

Mr. Porcari reiterated that it is now 2025 and began by asking Mr. Traynham to explain how Boeing reduced aviation's carbon footprint in new models of aircraft while maintaining safety. Mr. Traynham stated that several hundred new aircraft have been put into production, including the replacement Boeing 787, which is approximately 20 percent more fuel efficient, and the replacement Boeing 737 Max, which is 7–8 percent more fuel efficient. He noted that more aircraft in the fleet are using biofuel blends in 2025. Mr. Traynham discussed how safety has improved because of a more productive relationship with the FAA. He emphasized the benefit of the shifted focus to systems safety rather than single-point safety.

Mr. Porcari asked Mr. Hylander to discuss how air carriers make safety investments while maintaining profitability. Mr. Hylander explained that investments and work are interrelated with the common goal of a successful operation. He stated that new aircraft have the latest technology to enable air carriers to implement and take advantage of the most advanced airspace benefits, fuel efficiency, and customer comfort. Mr. Hylander discussed the importance of investing in avionics upgrades for older aircraft and for systems to help manage operational efficiency.

Mr. Hylander noted the significant investment air carriers have made in their own safety management programs: Aviation Safety Action Plan (ASAP), Advanced Qualification Program, and Flight Operational Quality Assurance. He commented on the significant human resource investment and financial investment required to receive and manage data.

Mr. Porcari acknowledged the importance of technology and products but highlighted that people ultimately make the difference. He asked Capt. Kuwitzky to discuss the “people” aspect of aviation. Capt. Kuwitzky noted the relative youth of these partnership. He discussed the early 1980s when crew resource management (CRM) was introduced to teach flight crews how to be safer. Capt. Kuwitzky noted that some air carriers are able to successfully implement safety programs and others are not. He highlighted the key role people play in the success of safety programs, because the front line employees, pilots, and mechanics are the ones who know and understand daily operations. Capt. Kuwitzky stated that partnership programs should be greatly expanded.

Ms. Shook stated that programs such as ASAP are like a three-legged stool in terms of practicality and stability. She emphasized the importance of the true and full partnerships between workgroups, unions, air carriers, and the FAA. Ms. Shook noted the need to enhance these programs as they continue to evolve to maintain the United States’ status as the safest aviation system in the world.

Mr. Porcari reemphasized that Destination 2025 is achieved through safety management systems and partnerships working together. He asked Ms. Gilligan to discuss the FAA’s role in it.

Ms. Gilligan expressed her pride in the framework established from 2010 to 2015, noting the inception of important safety programs during those years. She explained that when all employees, including air traffic controllers, pilots, dispatchers, mechanics, and flight attendants report what is going on in the system, the industry can learn about risks and invest in solutions. Ms. Gilligan stated that strong, trusting relationships are in place in 2025 that show how reported information can be used to enhance safety. She affirmed that the information does not implicate anyone and is not used in a negative way. Ms. Gilligan also described the regulatory structure put in place during the 2010–2015 timeframe, which improved flight, duty, and rest rules as well as training requirements. Ms. Gilligan reemphasized that the Government’s role was to build the framework.

Mr. Porcari asked Mr. Crites to discuss key contributions from the airport facilities standpoint. Mr. Crites described a range of products and technologies that have contributed to safer operations by 2025, such as data fusion and real-time situational awareness. He explained how these products collectively served as a toolkit that was deployed in airports throughout the United States. Mr. Crites further added that the toolkit ensured the right tool was at the right place at the right time. He stated that the tools were installed with the help of the collaborative voice of airport operators, which helped reconfigure airfields for increased safety and efficiency. He explained that this reconfiguration included adding perimeter taxiways to help avoid runway crossings.

Mr. Crites described how Safety Management Systems (SMS) unifies all parties at the airport to listen to needs, reflectively report, and lead to the adoption of technologies both in the air and on the ground. Mr. Crites highlighted how all of the systems, such as Runway Status Lights, have been integrated to enable safer operations. He stated that moving maps and airfield situational awareness technology are exported to airport operators to increase awareness and enhance safety.

Mr. Porcari stated that NextGen is the system of systems for advanced efficiency, capacity, and safety. He noted that in addition to other private investments, the public has invested \$1 billion each year to fund NextGen. Mr. Porcari asked the panel to discuss some of the growing pains experienced over the last 13 years and to define the tipping point that moved the aviation industry to Destination 2025.

Mr. Hylander stated that the tipping point was when implementing aircraft equipage with procedural training systems aligned with the priority of travelling efficiently. He noted the importance of having the capability and capacity at key airports. Mr. Hylander then discussed the cultural challenges that occur when negotiating priorities.

Mr. Traynham identified the “Greener Skies Over Seattle” project as a tipping point. He explained how the 2011 program enabled stakeholders to save large amounts of fuel. Mr. Traynham noted the importance of enlarging this program to include more airports and reduce aviation’s environmental footprint.

Ms. Shook stated that the tipping point was when public awareness of Destination 2025’s effects on air travel became more widespread.

Mr. Crites stated that the tipping point began with defining the customers, which include pilots, controllers, air carriers, and passengers. He added that the tipping point included gaining an understanding of how aviation is intended to serve the local community. Mr. Crites commented on the importance of NextGen and how it impacts all stakeholders and emphasized the importance of collaboration and dialogue.

Ms. Gilligan noted the tipping point came after the aviation industry successfully emerged from the cultural change of implementing NextGen. She added that another part of the tipping point was when roles and responsibilities became better understood. Ms. Gilligan congratulated the Government and industry for the culture change and acknowledged the magnitude of the challenge.

Capt. Kuwitzky stated that the tipping point was when air carriers found ways to become more efficient and became willing to invest in the technology available.

Mr. Porcari discussed the initiatives taken over the last 15 years and acknowledged the importance of having the affected parties understand the investment. He highlighted the role of training required on the path to Destination 2025. Mr. Porcari asked the panel to discuss some of the highlights and milestones.

Capt. Kuwitzky stated that a lot has changed since the training he first completed in 1983 due to advances in technology. He explained that the cockpit environment continues to improve and training now involves the cabin crew, dispatchers, and other partners. Capt. Kuwitzky stated that technology is at the heart of the NextGen system but little room for improvement exists that would make air travel safer with technology. He stated that the focus must instead be on the human side.

Mr. Porcari asked Mr. Traynham about technologies that have played a role in the training environment. Mr. Traynham stated that Boeing focuses on retraining employees on manufacturing processes, much like pilot training. He noted Boeing needs good manufacturing systems as it employs the systems approach to safety management.

Mr. Hylander addressed the concept of collaboration. He stated that the collaboration of industry and Government allowed the Commercial Aviation Safety Team (CAST) to create a shift in thinking in 2012. He observed that CAST reviewed data from previous accidents and used that information to help mitigate future accidents. Mr. Hylander explained that the challenge in 2025 is to reduce the accident fatality rate by half. He noted CAST allows the industry to use a more forward-thinking model by examining millions of data sources to achieve that goal. Mr. Hylander stated that it is necessary to identify what risks exist and what mitigations are available to understand how they can work together to improve safety.

Mr. Crites added that available technologies have created a continuous learning environment. He stated that training can now use real-life situations to enhance the traditional curriculum, and explained that in learning from these situations and sharing the experiences, the learning curve is exponential. Mr. Crites stated that air carriers work closely in a real-world, codependent relationship and this collaboration is critical to advances in training. He added that with new technologies, real-time learning portals are available via Web-enabled educational programs, providing dynamic and relevant information to the user.

Ms. Gilligan stated that training played a key role in the culture shift at the FAA during the implementation of NextGen. She explained that the FAA committed to training employees and familiarizing them with the principles of SMS, which built trust and confidence between the FAA and its employees. Ms. Gilligan stated that the FAA had to understand what the new technologies could provide to have an effective long term plan that would support employees along the way.

Mr. Porcari stated that it was necessary to reach a forward way of thinking in getting to 2025. He noted some parts of the regulatory process in 2012 did not fit within the larger goal of safety. Mr. Porcari asked Ms. Gilligan what the FAA has done to continue on the journey of safety while working within the regulatory process.

Ms. Gilligan stated that the key was to work together as an industry to understand risk. She explained that from 2010 to 2015, the industry began to understand that risk can be mitigated, but an obligation exists to implement those mitigations. Ms. Gilligan stated that the industry must join together to make a commitment to reduce the number of incidents through implementing mitigations, but that there must also be an examination period after implementation. She stated that if the mitigation does not work as planned, it must be revised. Ms. Gilligan affirmed that it is only through partnerships throughout the industry that this can be accomplished.

Mr. Porcari stated that the fleet mix in the 2025 NAS is very different than in 2012 because it includes the use of unmanned aerial vehicles (UAV). He asked the panel to describe some of the key points that led to this different operating environment in 2025.

Mr. Traynham stated that industry and Government were very deliberate between 2010 and 2015 in researching how UAVs would be introduced into the system and integrated with airplanes. He explained that they clearly have a role in the system, with the increase in demand for their use by law enforcement and agriculture operations. Mr. Traynham expressed his belief that UAVs improve the economic climate of the country.

Capt. Kuwitzky noted that while he could not agree more, UAVs need to be introduced into the NAS in a slow, methodical, and collaborative process.

Mr. Crites stated that an environment for continuous learning exists and it is necessary to understand the various voices and find a successful way to address concerns. He observed that although UAVs are unmanned, a great deal of oversight and rigor is involved in their operation. Mr. Crites noted collaboration, the tipping point he mentioned earlier, is essential in the integration of UAVs into the NAS.

Mr. Hylander noted the safety system was a building block, and over the years, progress has been made to react faster. He stated that it is already possible in 2012 to look at data in real time, creating a more proactive environment. Mr. Hylander added that in 2025, the technology will be built upon modern technology and will allow for nearly instantaneous mitigation efforts.

Ms. Shook stated that although demand will be higher in 2025, the passenger experience will be better, including cleaner cabin air, fewer delays with baggage, and fewer delays on the tarmac. She stated that this will be possible through continued coordination with DOT, the Transportation Security Administration, and airports.

Mr. Porcari stated that the advances made in the aviation industry have been possible because of the collaboration between industry and Government. He asked the panel members to share their final thoughts.

Mr. Crites added that by 2025, the industry will be better at anticipating safety trends because of its ability to extract intelligence from the data it gathers. He stated that the gathered data must be used to anticipate and understand mitigation efforts to continue bettering the customer experience and maintaining safety standards as the system evolves.

Ms. Shook stated that the passenger experience is integral to the future of the system because the industry would not exist without passengers. She stated that it will be important to continue to ensure safer air travel for passengers and flight attendants as the industry evolves.

Mr. Hylander added that greater global harmonization should be achieved by 2025. He noted the large disparities between the United States and other countries. Mr. Hylander added that some large political and economic issues that must be addressed.

Ms. Gilligan noted that NextGen is not complete in 2025. She stated that the system will always be evolving, and while the goals for 2025 have been achieved, there is a continued need to look forward to prepare for additional challenges and demands.

Capt. Kuwitzky stated that his experience in the industry has afforded him the luxury of longevity. He stated that he has seen quantum leaps forward in technological advances, largely because of the collaboration between industry and government. He stated that this collaboration has set up the industry for a positive future and he encourages the continued effort to maintain that relationship.

Mr. Porcari thanked the panel members for traveling to the year 2025. He stated that this conversation indicated what needs to be done over the next 13 years to achieve the goals of Destination 2025 and achieve increased levels of safety.

CLOSING REMARKS

Secretary LaHood thanked the audience for attending the conference. He thanked Assistant Secretary Kurland and her team for organizing the conference, and Mr. Willett for his hard work implementing the FAAC recommendations. He again expressed thanks to the audience and noted that he is looking forward to continuing the conversation.

APPENDIX A—CONFERENCE PARTICIPANTS

Ray LaHood



Ray LaHood became the 16th Secretary of Transportation on January 23, 2009.

In nominating him, President-elect Obama said, “Few understand our infrastructure challenge better than the outstanding public servant that I’m asking to lead the Department of Transportation.”

Secretary LaHood’s primary goals in implementing President Obama’s priorities for transportation include safety across all modes, restoring economic health, creating jobs, promoting sustainability, shaping the economy of the future by building new transportation infrastructure, and assuring that policies focus on users of the transportation system and their communities.



Secretary LaHood leads an agency with more than 55,000 employees and a \$70 billion budget that oversees air, maritime and surface transportation missions.

Secretary LaHood promised to bring President Obama’s priorities to the Department and see them effectively implemented with a commitment to fairness across regional and party lines and between people with different perspectives.

Before becoming Secretary of Transportation, Secretary LaHood served for 14 years in the U.S. House of Representatives from the 18th District of Illinois (1995–2009). During that time he served on the House Transportation and Infrastructure Committee and, after that, on the House Appropriations Committee. Prior to his election to the House, he served as Chief of Staff to U.S. Congressman Robert Michel, whom he succeeded in representing the 18th District, and as District Administrative Assistant to Congressman Thomas Railsback. He also served in the Illinois State Legislature.

Secretary LaHood received his degree from Bradley University in Peoria, Illinois.

Eric Shinseki



President Barack Obama nominated retired U.S. Army General Eric K. Shinseki to serve as Secretary of Veterans Affairs on December 7, 2008 and he was sworn in on January 21, 2009.

Secretary Shinseki served as Chief of Staff, United States Army, from 1999 to 2003. During his tenure, he initiated the Army Transformation Campaign to address both the emerging strategic challenges of the early 21st century and the need for cultural and technological change in the United States Army. He led the Army during Operations Enduring Freedom and Iraqi Freedom.



Before becoming the Army's Chief of Staff, Secretary Shinseki served as the Vice Chief of Staff from 1998 to 1999. He previously served simultaneously as Commanding General, United States Army, Europe and Seventh Army; Commanding General, NATO Land Forces, Central Europe; and Commander of the NATO-led Stabilization Force, Bosnia-Herzegovina.

Secretary Shinseki had many assignments in his military service. He graduated from the United States Military Academy in 1965 and served as a forward observer from December 1965 to September 1966, when he was wounded in combat in the Republic of Vietnam. He was assigned as Assistant Secretary, then Secretary to the General Staff, U.S. Army, Hawaii, Schofield Barracks, from 1967 to 1968. He transferred from Artillery to Armor Branch before returning to Vietnam in 1969. While serving as Commander, Troop A, 3rd Squadron, 5th Cavalry Regiment, he was wounded a second time in 1970.

Shinseki holds a bachelor of science degree from the U.S. Military Academy at West Point, a master of arts degree from Duke University, and is a graduate of the National War College.

Susan Kurland



Susan Kurland is the Assistant Secretary for Aviation and International Affairs of the DOT. As part of the Secretary of Transportation's senior team, Assistant Secretary Kurland directs and implements economic and competition policy affecting the air transport industry and coordinates the Department's international activities. Her responsibilities include directing the Department's participation in international aviation negotiations. She also serves as the Department decision maker in proceedings involving the allocation of international aviation route authority, licensing of air carriers,

providing air services to rural communities, and grants of antitrust immunity for international aviation alliance activities.

She has extensive senior level transportation experience, in both Government and private sector roles. Before joining the DOT, she was a managing director at Jefferies & Company in the areas of airport infrastructure and municipal finance, and headed the firm's municipal finance group in Chicago. Kurland has also served as Associate Administrator for Airports for the FAA, leading the FAA's national airport program. In addition, she has been Vice President and Deputy General Counsel of U.S Airways, and Deputy Corporation Counsel for the City of Chicago, serving as general counsel for Chicago's airport system.

Kurland earned her undergraduate degree from Brandeis University and her law degree from Boston University School of Law.

Victoria Wassmer



Victoria B. Wassmer is the FAA Assistant Administrator for Finance and Management. She leads the new shared services organization responsible for operating the agency's IT network, fulfilling its contractual obligations, and ensuring the responsible stewardship of the FAA's \$16 billion annual budget.

Ms. Wassmer returned to the FAA after 15 months with the Millennium Challenge Corporation (MCC), a U.S. Government agency that works with developing countries to reduce poverty through economic growth. With MCC, she led a team of executives and staff to deliver corporate support services in the areas of financial management, human resources, IT, logistics and travel, acquisition and grant management, administrative services, overseas administration, and security.

During Ms. Wassmer's prior tenure with FAA, from 2004 to 2010, she served as Deputy Assistant Administrator/Chief Financial Officer of Financial Services, Deputy Director of the Office of Budget, and Manager of the Performance and Cost Analysis program. Before joining the FAA, she was a Senior Associate with the Carmen Group and worked in the Office of Capital Programs & Oversight for the Washington Metropolitan Area Transit Authority where she helped create legislative proposals for financing solutions for the Surface Transportation Act reauthorization and capital project management and program prioritization.

From 1996 to 2002, Ms. Wassmer was with the Office of Management and Budget (OMB) as a Policy Analyst and Special Assistant in the Office of Information and Regulatory Affairs, and later, as a Program Examiner and as Acting Branch Chief in OMB's transportation branch.

Ms. Wassmer holds a master's in Public Policy from Harvard University and bachelor's in Political Science from Bryn Mawr College.

LABOR PANEL: ANATOMY OF SUCCESSFUL WORKFORCE-MANAGEMENT RELATIONS

Moderator: David Grizzle



J. David Grizzle was appointed Chief Operating Officer of the FAA's Air Traffic Organization on April 14, 2011.

As Chief Operating Officer, Grizzle leads the FAA's 35,000 controllers, technicians, engineers, and support personnel, who are responsible for keeping air traffic moving safely and efficiently.

From June 2009 to April 2011, Mr. Grizzle served as the FAA's Chief Counsel. He led the 300-person legal team responsible for agency regulation, safety enforcement and compliance programs, airport and environmental matters, personnel, and labor law.

Before joining the FAA, Mr. Grizzle was with Continental Airlines and its affiliates for 22 years, retiring in 2008 as the Senior Vice President of Customer Experience. In this role, he led Continental to address persistent deficits in product delivery, improving the travel experience for its customers.

Mr. Grizzle held prior positions at Continental and its affiliates, including General Counsel, Senior Vice President of Corporate Development and Marketing Strategy and Vice President of Legal Affairs.

During a leave of absence from Continental starting in 2004, Mr. Grizzle served for 14 months with the U.S. Department of State in Kabul, Afghanistan, as Attaché, Senior Advisor and Coordinator for Transportation and Infrastructure.

In Kabul, he steered the American reconstruction effort in the areas of aviation, roads, power, and communications. He advised the U.S. Ambassador and four Afghan ministers and coordinated the efforts of the U.S. Agency for International Development and other multilateral development banks. A major focus of Mr. Grizzle's work was balancing the competing demand for immediate, visible results with the slower and less conspicuous process of developing Afghan human and institutional capacity necessary for sustainable progress.

Mr. Grizzle is a graduate of Harvard College and Harvard Law School.

John Conley



John M. Conley, International Administrative Vice President - Transport Workers Union of America, AFL-CIO.

Mr. Conley has been a member of the TWU's Air Transport Division since 1981. He served as a TWU Officer in various capacities for approximately 23 years. He was also Shop Steward; Chief Steward; Section Chairman; Vice President and President of Local 505, San Francisco; American Airlines System Coordinator; and, most recently, Air Transport Division (ATD) Director.

Mr. Conley's responsibilities encompass Chief Spokesman and Spokesman in multiple contract negotiations for Horizon Air, Air Cal, American Airlines and American Eagle, as well as Integration Negotiations for Air Cal, Reno Air and TWA.

Mr. Conley has served as the Principle Advocate for the Union in multiple Arbitration Hearings, including contract dispute and interpretation and discharge appeal cases. He has been Lead Advocate for System General Board and discharge cases with system impact implications and has served as a Union Board Member for both Area and General Board Hearings. As the ATD Director, Mr. Conley oversaw multiple contract groups for its 50,000 members.

Mr. Conley currently serves on the International Administrative Committee, in addition to overseeing International Policy and Procedures, Office and Professional Employees International Union/Internal TWU human resources issues, and collaborating with all external affiliations on aviation-related matters in coordination with the ATD.

Doug McKeen



Douglas McKeen is Senior Vice President of Labor Relations for United Airlines. In this role, Mr. McKeen is responsible for development and implementation of the labor strategy, negotiation, and administration of all labor agreements governing United's represented employees, including the coordination of international bargaining.

Prior to joining United in March 2008, Mr. McKeen was Senior Vice President — Employee Relations and Communications at ASTAR Air Cargo from 2006 to 2008. Before joining ASTAR, he held several labor relations leadership roles at US Airways, Northwest Airlines, and America West Airlines. He was also a partner with Eclat Consulting, providing labor relations strategy and counsel to several airlines negotiating contracts with pilots, mechanics, fleet service, and agent personnel.

McKeen received a bachelor's degree in finance from the University of Iowa, and holds a juris doctorate from Hamline University School of Law.

Capt. Lee Moak



Captain Lee Moak is the ninth president of the Air Line Pilots Association, International. He was elected by the union's Board of Directors on October 13, 2010, and began his four-year term on January 1, 2011.

As ALPA's CEO and administrative officer, Captain Moak oversees daily operations of the Association and presides over the meetings of ALPA's policy-setting bodies. He is also the chief spokesman for the union, advancing pilots' views in the airline industry before Congress, Parliament, Government agencies, and the news media.

As the ALPA president, Captain Moak is a member of the AFL-CIO Executive Council and the Executive Committee of the AFL-CIO Transportation Trades Department. He serves on the FAA Next Generation Air Transport System (NextGen) Advisory Committee advising the administration on improving and modernizing the nation's aviation infrastructure.

A B-767 Delta Air Lines captain, Captain Moak joined ALPA in 1988. He served three terms as the chairman of the Delta Master Executive Council. Prior to becoming an airline pilot, he served 9 years as a United States Marine Corps fighter pilot. He later transitioned to the Naval Air Reserve Force to finish his military career as a U.S. Navy fighter pilot.

Captain Moak continues to expand the traditional role of a labor union leader through a policy of "active and constructive engagement" with any and all parties who can affect the professional lives and careers of the pilots he represents—from local reporters to international media; from Main Street to Wall Street; from regulators to legislators; from other unions to industry leaders around the globe, ensuring ALPA pilots are involved and contributing.

Doug Steenland



Mr. Steenland is the former CEO of Northwest Airlines Corporation, serving from 2004 to 2008, and President, serving from 2001 to 2004. Prior to that, he served in a number of executive positions after joining Northwest Airlines in 1991, including Executive Vice President, Chief Corporate Officer, and Senior Vice President and General Counsel.

Mr. Steenland retired from Northwest Airlines upon its merger with Delta Air Lines, Inc. Prior to joining Northwest Airlines, Mr. Steenland was a senior partner at a Washington, DC, law firm that is now part of DLA Piper. He is currently a director of Delta Air Lines, Inc., where he serves on the Finance Committee; Digital River, Inc., where he serves on the Compensation Committee and Finance Committee; and International Lease Finance Corporation, an AIG subsidiary, where he is Non-Executive Chairman. In the past 5 years, Mr. Steenland has also served as a director of Northwest Airlines Corporation. He was President and CEO of Northwest Airlines Corporation when it filed for Chapter 11 bankruptcy in 2005.

WORKFORCE PANEL: SPURRING WORKFORCE DEVELOPMENT

Moderator: Dr. Tara Harl



Dr. Tara Harl is an experienced aviator and educator in Business and Collegiate Aviation. She holds an Airline Transport Pilot license, is type rated in corporate jets with international flight experience, holds a doctoral degree in Aviation Leadership Development, a master's in Aerospace Education, and a B.S. in Aviation Management. She founded Aviation Workforce Development, Inc. (AWD) to address the workforce issues facing the aviation industry. AWD

provides a gateway for college students and young professionals to find information about career entry and development in aviation. She currently chairs the St. Cloud State University Aviation Department and is the founder/coordinator of its Business Aviation Program, linking collegiate aviation and Fortune 500 flight departments. It developed into the NBAA Business and Collegiate Aviation Pipeline Program. She chairs the Professional Development subcommittee for the NBAA Corporate Aviation Management Committee, is a research panel chair for the National Academy of Science's Airport Cooperative Research Program, has been a consultant to organizational restructuring of Historically Black College aviation programs, held positions of director of operations and chief pilot in corporate flight departments, co-owner of Part 135 and 141 fixed/rotor operations, and was the owner of an aircraft management firm. She was the first woman to be awarded the Airbus Leadership Award and the Boeing Career Enhancement Scholarship in the same year for her research on the experience of Blacks in Business Aviation, which was published by Purdue University.

Tim Farley



Mr. Tim Farley, Gulfstream's Vice President of Engineering, has held leadership positions in Structures, Service Engineering and Project Engineering since joining Gulfstream in 1992 as a Design Engineer on the GV program. He has participated in the design and certification of all subsequent Gulfstream civil aircraft and numerous military variants. In 1993, he was selected to be Project Engineer for the Gulfstream V Powerplant development program. As Project Engineer, he was responsible for all aspects of the design and certification of the GV propulsion systems. In 1997, he moved on to be Project Engineer for Aircraft Systems in the Service Engineering group, where his responsibilities focused on in-service issues for all Gulfstream products. This included working with customers to resolve problems or meet any special requirements they might have, as well as ensuring that these designs met company and FAA requirements. In late 1998, he was selected to manage the entire Service Engineering group, including technical leadership and direction for the department. In 1999, he became the Director of Project Engineering, providing technical and managerial leadership in the areas of research and development, special missions, and engineering operations. During the G450 and G550 development programs, he was the program's Project Engineer. Since then, Mr. Farley has been responsible for co-chairing the large-cabin Product Change Management Team and Reliability, Quality, Availability Action Team process to ensure the best utilization of engineering resources toward corporate goals. As Vice President of Engineering, he took on the role of Product and Reliability Enhancement Committee chairman.

Prior to joining Gulfstream, Mr. Farley was employed at McDonnell-Douglas Company in Long Beach California. He received a bachelor of science degree in Aeronautical Engineering from Embry-Riddle Aeronautical University in 1986 and a master's degree in Technical Management from Embry-Riddle Aeronautical University in 2002.

Trish Gilbert



Ms. Trish Gilbert began her 3-year term as the National Air Traffic Controllers Association's (NATCA) Executive Vice President in September 2009. For the previous 21 years she was an air traffic controller. In her roles as air traffic controller and union activist, she has been fiercely dedicated to aviation safety. Ms. Gilbert's activism with NATCA began with the Quality-Through-Partnership program in 1992. Two years later, she began the first of her three terms serving as Houston Center's Facility Representative. In 2001, Ms. Gilbert became Southwest Region Chair of the National Legislative Committee and in 2005 she became National Committee Chair, a position she held until becoming NATCA's Executive Vice President. In addition, Ms. Gilbert chaired the National Organizing Committee from 1996 to 1999. She also served as Vice President of the NATCA Charitable Foundation from 1998 to 2000, and as its President from 2001 to 2008. Working with NATCA President Paul Rinaldi, Ms. Gilbert helped lead NATCA's efforts to build a working relationship with the FAA and DOT, resulting in excellent progress on aviation safety. Her efforts include serving as the Labor Chair of the FAA Labor Management Forum. She led the union's effort to emphasize professional standards and impart the message to the union membership that to advance safety, NATCA must not only identify problems but also help craft solutions. Thus, current efforts include the design, construction, and deployment of new technology and equipment; the redesign of airspace; and an expansion of safety reporting systems that have been very successful in bringing safety issues to the forefront. Ms. Gilbert also serves as a member of the AFL-CIO's political committee, enabling her to continue her career-long commitment to the advancement and success of America's working men and women through solidarity and their collective voice. Additionally, Gilbert serves as the Vice Chair of the International Transport Workers' Federation (ITF) Air Traffic Services committee.

Jamail Larkins



Mr. Jamail Larkins fell in love with flying after co-piloting his first flight with the Experimental Aircraft Association (EAA) Young Eagles Program at the age of 12. At 14 he became one of the youngest American pilots to solo a powered aircraft in Canada. At 16, Mr. Larkins became the National Spokesman of the EAA Vision of Eagles Program, and promoted career possibilities for aviation enthusiasts of all ages. With this newfound exposure, he was afforded many opportunities, including becoming the first and youngest student pilot to solo the Cirrus SR20, a revolutionary certified single-engine aircraft with a built-in parachute. He branched out into aerobatic flying at the age of 18.

To fund his passion for flight, Mr. Larkins founded his first company, Larkins Enterprises, Inc., at age 15. Since its inception, Mr. Larkins has transformed Larkins Enterprises into an aircraft sales and leasing company and an aviation consulting firm. Over the years, his business accomplishments have earned him accolades from the leaders in business media. In 2002,

Mr. Larkins became the National Spokesman for Careers in Aviation, a nonprofit providing aviation opportunities to young people. Because of his unique passion and skills, Embry-Riddle Aeronautical University (ERAU) recruited him to bring attention to the aviation industry. In the fall of 2004, the FAA signed Mr. Larkins as the first official Ambassador for Aviation and Space Education. Through his work with the FAA, ERAU and other organizations, he has had the opportunity to give speeches beside notables like Mr. Chuck Yeager, Mr. Gene Cernan, and Mr. Cliff Robertson. Mr. Larkins has flown with the Navy's prestigious Blue Angels, is featured in the renowned Franklin Institute, and has received a Certificate of Special Recognition from Congress. Today, Mr. Larkins serves on the board of several large aviation nonprofit organizations. In addition to his industry commitments, he continues to lead his primary company, Ascension Aviation. Under his leadership, Ascension is rapidly becoming one of the premier companies specializing in aircraft sales, leasing, financing, and management.

Dr. Patricia Watts



Dr. Patricia Watts serves as the FAA National Program Director and Grants Officer for the Air Transportation Centers of Excellence (COE) Program. Congressionally mandated, the FAA established the COE Program to conduct aviation research while striving for technology transfer successes, and educating and training a pool of professionals to serve the future aviation community. From enabling legislation, Dr. Watts designed, developed and executed the COE Program, which has included more than 75 universities throughout the United States. FAA Administrators have selected nine teams to focus on critical aviation issues. Under the guidance of senior faculty and COE industry affiliates, the agency supported over 600 research projects conducted by over 1,500 students pursuing advanced degrees in aviation-related topics. COE researchers focus on short- and long-term topics that currently reflect \$450 million of funded contracts, federal grants and matching funds.

Dr. Watts is the recipient of numerous awards, including the FAA Administrator's Award for Outreach and the White House Hammer Award for streamlining Government. She has been assigned to various special projects for the FAA, DOT, the National Science Foundation, the U.S. Office of Personnel Management, and other Government agencies. Recently, she was elected to serve a second term as President of the local Zonta International Service Group, dedicated to the advancement of women and children. Prior to joining the FAA, Dr. Watts served as a Training Manager for the UNISYS Corporation, Burroughs Federal and Special Systems Division, and was the Assistant to the Dean of Continuing Education at Cabrini College in Radnor, Pennsylvania. She holds a master's degree from Villanova University and a doctorate in Educational and Organizational Psychology from Temple University in Philadelphia.

SAFETY PANEL: IMPROVING A RECORD THAT IS SECOND TO NONE

Moderator: John Porcari



Mr. John D. Porcari has served as the 19th United States Deputy Secretary of Transportation since June 1, 2009.

As Deputy Secretary, Mr. Porcari is the chief operating officer with responsibility for day-to-day operations of the 10 modal administrations and the work of more than 55,000 DOT employees nationwide and overseas. He is focused on transportation's key role in economic development and providing the foundation for America's future prosperity.

Before becoming Deputy Secretary, Mr. Porcari served two tours as Secretary of the Maryland DOT from January 2007 to June 2009 and between 1999 and 2003. As MD DOT Secretary, he was responsible for an integrated, multi-modal, statewide transportation system that included highways, transit, the Port of Baltimore, Baltimore-Washington Thurgood Marshall International Airport, a statewide general aviation system, Maryland's toll authority, and its Motor Vehicle Administration.

Between 2003 and 2007, Mr. Porcari served as vice president for administrative affairs at the University of Maryland, College Park. He previously served as Deputy Secretary of Transportation for Maryland and as Assistant Secretary for Economic Development Policy at the Maryland Department of Business and Economic Development. Prior to his positions in the state government, he served as vice president of a civil engineering and land use consulting firm and at the local government level.

Mr. Porcari received his B.A. degree from the University of Dayton and his Master of Public Administration from the Rockefeller College, State University of New York at Albany.

James Crites



Mr. James M. Crites serves as Executive Vice President for the Operations Division of Dallas/Fort Worth International Airport. He oversees the activities of Operations, Energy and Transportation Management, Asset Management, Department of Public Safety, Planning, and Environmental Affairs.

Mr. Crites joined the staff at Dallas/Fort Worth International Airport on October 30, 1995 to serve as the Director of Planning and Marketing Research. He provides key leadership in planning for development of facilities, and new business opportunities throughout all aspects of the airport.

Prior to this, Mr. Crites worked in several key management positions at American Airlines, Inc., including Managing Director, Airport Services and Managing Director, Financial Planning.

Mr. Crites graduated from the University of Illinois after earning a bachelor of science degree in Business Administration and subsequently earned a master's degree in Operations Research while attending the Naval Postgraduate School, Monterey, California.

He currently serves as a member of the Transportation Research Board Executive Committee; the University of Texas at Arlington College of Engineering Advisory Board; the U.S. Travel Association Board of Directors; the Airports Council International – North America Operations and Technical Affairs Committee; and the Subcommittee of the RTCA NextGen Advisory Committee.

Peggy Gilligan



Ms. Peggy Gilligan became the FAA's Associate Administrator for Aviation Safety on January 5, 2009 after serving as the Deputy Associate Administrator for 14 years. She has worked at the FAA since 1980. As Associate Administrator, Ms. Gilligan leads the organization responsible for setting, overseeing, and enforcing safety standards for all parts of the aviation industry—airlines, manufacturers, repair stations, pilots, mechanics, air traffic controllers, flight attendants, and any person or product that operates in aviation. Aviation Safety programs are carried out by a workforce of more than 7,000 employees located in the Washington, DC, headquarters, regional and directorate offices, and more than 125 field offices throughout the world. The organization's annual budget is more than \$1 billion.

In October 2011, Ms. Gilligan accepted the Roger W. Jones Award for Executive Leadership. This annual award is given to two Federal senior executives who have shown exceptional leadership while devoting themselves to a career of public service.

In May 2009, Ms. Gilligan and her industry co-chair accepted the Robert J. Collier Trophy in recognition of the Commercial Aviation Safety Team's (CAST) work in developing an integrated data-driven strategy that reduced aviation fatalities in the United States by 83 percent over 10 years. She serves as the Government co-chair of CAST—a joint industry/Government group committed to improving aviation safety by reducing the risk of accidents.

In April 2006, Ms. Gilligan and her industry co-chair received the Laurel Award from Aviation Week & Space Technology magazine for improving aviation safety and “reducing the risk of fatalities in world aviation” through CAST. The annual award recognizes the extraordinary accomplishments of individuals and teams in aviation, aerospace, and defense.

Ms. Gilligan was Chief of Staff at the FAA, serving four Administrators. She also served in the Chief Counsel's office in Washington and as a staff attorney in the FAA's Eastern Region in New York. She is a 1979 graduate of the Boston University School of Law and a 1975 graduate of Manhattanville College.

Kenneth Hylander



Mr. Kenneth J. Hylander is Senior Vice President – Corporate Safety, Security & Compliance of Delta Air Lines. In this role, he is responsible for management and performance of the airline's overall safety and security programs and serves as the Director of Safety. Appointed to this role in October 2008, he is also responsible for internal evaluation and environmental compliance and sustainability programs and is responsible for representing Delta's safety, security, and compliance interests with regulatory bodies worldwide.

Mr. Hylander is the industry co-chair of CAST. He is the Chairman of the Delta Connection Safety Alliance and oversees the broad programs used by the nine-airline alliance to ensure integrity in operations. He serves on the Flight Safety Foundation Board of Governors. Mr. Hylander is a member of the Airlines for America (A4A) Safety Council and is a past chairman of the A4A Engineering, Maintenance, and Material Council.

Mr. Hylander was with Northwest Airlines in the role of Senior Vice President – Safety and Engineering, Chief Safety Officer prior to its merger with Delta. He joined Northwest in September 1997 as the Vice President of Engineering. Prior to that, Mr. Hylander spent nearly 17 years at United Airlines where he held a variety of engineering, quality assurance, and operations management positions.

Mr. Hylander graduated from the University of Rhode Island with a bachelor's degree in mechanical engineering. He serves on the university's College of Engineering Advisory Council. He obtained a master's degree in business administration from California State University.

Capt. Carl Kuwitzky



Captain Carl Kuwitzky serves as President of the Coalition of Airline Pilots Associations in Washington, DC. Captain Kuwitzky previously served two terms as President of the Southwest Airlines Pilots' Association (SWAPA) from 2007 through 2010. An Oklahoma native, he has been a pilot at Southwest Airlines since flying Captain on the B737 in 1987. He currently is based at Dallas Love Field.

Captain Kuwitzky has a long history of service to SWAPA dating back to 1984. He served as the Association's Vice President in 2006 and was a member of the Board of Directors for three terms, representing Phoenix and Houston domiciles. He chaired both the Scheduling and Air Safety Committees and served as a member of the Negotiating Committee and Merger Committee during Southwest Airlines' acquisition of Muse Air in 1986.

Captain Kuwitzky received his flight training in civilian training schools. He has a bachelor's degree in Biology from Harding University in Searcy, Arkansas.

Veda Shook



Ms. Veda Shook has been International President of AFA- CWA since January 1, 2011. From 2007 to 2010, Ms. Shook was International Vice President of the AFA-CWA. She traveled constantly to meet AFA leaders and members, public officials, and community and labor leaders who can help flight attendants gain respect and fair compensation for their work.

Ms. Shook graduated from the University of Colorado-Boulder in 1991 with a bachelor's degree in International Relations. She began her career as a flight attendant in 1991 at Alaska Airlines. She quickly organized with fellow flight attendants to gain local status for Portland. Ms. Shook became the first president of the Portland council. She organized the Volunteer Organizers for Information, Communication and Education committee that led to an industry-leading contract with Alaska Airlines, cementing her status as a successful negotiator. Ms. Shook improved the situation for all working mothers at Alaska Airlines by adding more progressive language to the contract. She continues to advocate for working parents and the ability for all flight attendants to care for their loved ones.

As the Alaska Airlines Master Executive Council (MEC) President, Ms. Shook spearheaded a diversity movement by creating a committee to work with management to promote a workforce representing the communities they serve. She was recruited to help with AFA's organizing campaign at Delta Air Lines even before she became president of the Alaska Airlines MEC. Ms. Shook directed the union's efforts in its most recent campaign to organize Delta's flight attendants until she was elected International President in April 2010. Ms. Shook helped to organize four airlines in 2009. She directed AFA's Leadership Development and internal organizing, rallying its members when efforts are needed on contract campaigns or in legislative battles. Ms. Shook regularly testifies before Congress on issues of importance to flight attendants.

David Traynham



David Traynham joined The Boeing Company as Director of Transportation Policy, Commercial Airplanes in the Washington, DC Operations office in October 2000. In this position, he is responsible for strategy and policy with regard to the company's approach to the U.S. Government's Executive Branch transportation agencies.

From 1998 until joining Boeing, Mr. Traynham was the Assistant Administrator for Policy, Planning and International Aviation at the FAA. He led the development of administration aviation policy and legislative proposals on infrastructure and environmental policies related to aviation. He led and represented the FAA in its relations with its foreign counterparts.

From 1979 until joining the agency, Mr. Traynham was on the staff of the Aviation Subcommittee of the U.S. House of Representatives. He staffed the Committee leadership on all aspects of civil aviation issues including taxes/user fees, aviation infrastructure, airports, airline regulatory matters, safety and security. In 1995, he staffed the Committee leadership on maritime matters and legislation. He left the Committee staff in 1998 as Minority Staff Director for the Aviation Subcommittee.

Between 1978 and 1979, Mr. Traynham served as a research analyst in the U.S. DOT. In 1997, he took a leave of absence from the U.S. House Aviation Subcommittee to be the Executive Director of the National Civil Aviation Review Commission, which was chartered by the Congress to examine financial, management, and safety issues at the FAA.

Mr. Traynham has a 1973 bachelor of arts degree in political science from Louisiana State University and did graduate work at Vanderbilt University in Nashville.

APPENDIX B—CONFERENCE AGENDA

9:00 a.m. **Welcome**

The Honorable Susan Kurland, Assistant Secretary for Aviation & International Affairs, DOT

9:05 a.m. **Secretarial Fireside Chat**

The Honorable Ray LaHood, Secretary of Transportation

The Honorable Eric Shinseki, Secretary of Veterans Affairs

9:30 a.m. **Labor Panel: Anatomy of Successful Workforce-Management Relations**

Moderator:

David Grizzle, Chief Operating Officer for the Air Traffic Organization, FAA

Panel Members:

John Conley, International Administrative Vice President, Transportation Workers Union, AFL–CIO, and former FAAC Member

Doug McKeen, Senior Vice President Labor Relations for United Airlines

Capt. Lee Moak, President, ALPA

Doug Steenland, Former CEO of Northwest Airlines

10:30 a.m. **Progress on the Memorandum of Understanding With the U.S. Department of Labor and the U.S. Department of Education**

Victoria Wassmer, Assistant Administrator for Finance & Management for the FAA

10:45 a.m. **Break**

11:00 a.m. **Workforce Panel: Spurring Workforce Development**

Moderator:

Dr. Tara Harl, Executive Director, Aviation Workforce Development

Panel Members:

Tim Farley, Vice President of Engineering, Gulfstream Aerospace Corporation

Trish Gilbert, Executive Vice President, National Air Traffic Controllers Association

Jamail Larkins, President and CEO, Ascension Aviation

Dr. Patricia Watts, National Program Director, FAA Air Transportation Centers of Excellence

11:45 a.m. **Safety Panel: Improving a Record That Is Second to None**

Moderator:

John Porcari, Deputy Secretary of Transportation

Panel Members:

James Crites, Executive Vice President for the Operations Division of
Dallas/Fort Worth International Airport

Peggy Gilligan, Associate Administrator for Aviation Safety for the FAA

Ken Hylander, Senior Vice President, Corporate Safety, Security &
Compliance, Delta Air Lines

Capt. Carl Kuwitzky, President, Coalition of Airline Pilots Associations

Veda Shook, International President, Association of Flight Attendants–
Communication Workers of America, AFL–CIO

David Traynham, The Boeing Company

12:30 p.m. **Closing Remarks**

The Honorable Ray LaHood, Secretary of Transportation

Continuing the Conversation



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