

# IATA Looks at the Seventies

By DAVID WOOLLEY

**A**N INNOVATION at the IATA annual general meeting, held in Manila on December 4-8, was a symposium, in an open session, during which delegates were encouraged by the director general to blossom forth a bit and debate matters of moment. In order to create an atmosphere suitable for maximum blossoming, it was stressed that delegates would be regarded as speaking purely for themselves and not for their airlines. They need not even say which airline they represented (as if those present didn't know already). Affiliations are therefore given in the following account only for purposes of identification.

Dr J. F. Dempsey (Aer Lingus) presided in a fatherly manner ("moderated" was actually the verb used, but the proceedings never really became immoderate); this was appropriate, as he is an elder statesman of IATA and attended its Havana birth after the war. "From time to time," he said, "we tend to take cover when we should be out in the open." This was a chance for the conflict of mind with mind. The Press is certainly becoming *persona* more and more *grata* with IATA these days, and Dr Dempsey welcomed it to its place in the "systems approach."

Leading off on the technical side, Mr J. T. Dymont (Air Canada) took us on an inclusive tour of the entire industry and its future. This was a romantic era—"80 per cent of all engineers and scientists are living today"—and the worst problems were not technical but financial. We also had to build airports able to cope with our traffic, and we had to improve facilitation ("some civil servants forget the service bit"). Furthermore, if we did not make a systems approach to air transport we would face financial ruination.

"Every technical development improving safety will pay for itself," said Mr Dymont. He thought that technical developments would find a breakthrough and would reduce the overall number of accidents, making air transport the safest means of getting about. One could never fully trust the human element, and the less the part it played in flying, the better; the human should be left with relatively simple decisions to make.

## Achievable Noise Limits

As to noise, this was used too often by local politicians to get publicity. It was no good airlines hoping that the problem would just go away; managements had to be more active in tackling it. For their part, airport administrations should lay down practicable—and achievable—limits.

Mr Avelar (TAP) wondered whether this technical breakthrough in safety matters would reduce cost for the system as a whole, or only for the airline. The costs on the ground would be high. Mr Dymont said that it applied to the industry as a whole; at present, insufficient account was taken of the costs of delays, accidents, re-training, and fleet inadequacies after an accident.

The tribulations of automation had worried Mr Nilsson (SAS); his company had had serious teething troubles with their cargo-handling equipment. IATA needed to watch this closely, he thought, if it were not to get into very great trouble in the seventies. Mr Dymont agreed that there was a lack of specialisation, and most people were too passenger-oriented.

Was it not necessary, asked Mr Glover (BOAC), with the 747 and double the number of passengers on board, to halve the accident rate? And was this feasible? Yes, thought Mr Dymont, it was both necessary and feasible.

Noise, said Mr Baltensweiler (Swissair) was a factor which could make or break the SST. "It is not just the boom; I am deeply worried about sideline noise. Populated areas abreast of the runway will be flooded with a noise substantially above the level of today's 707s and DC-8s. A breakthrough here is an absolute must." Cost improvement in the past, said Mr Baltensweiler, had been due to faster, more efficient aircraft. Direct operating costs were levelling off. The only answer to this was better utilisation, and more inter-company pooling of maintenance, catering, cargo handling and so on. A lot of standardisation of specifications and pooling of spares was

possible; "this is a controversial subject, but it is surely sheer nonsense to dream up 50 different cockpit layouts for one aircraft."

Mr Avelar thought this all very well, but the competition between manufacturers slowed the development rate. Mr Dymont said that it was a question of standardising the specification, not of getting identical equipment; it was an opportunity for manufacturers to show their ingenuity. "With the greatest respect to Douglas, I think that with the DC-9 they couldn't afford too many cockpit layouts, and they called a meeting of airlines to develop one. This achieved the greatest standardisation. We got most of what we wanted, and I suspect the others did too."

## Surface Competition

In the discussions on cargo, Mr Nilsson wanted a specially built all-cargo aircraft. Mr Graham (PAA) said that the industry was not yet big enough to justify it for the manufacturers, although government work had enabled Lockheed to look at a civil C-5A. Mr Graham thought that the most pressing problem in the future of air cargo was surface competition, which had been technologically dormant until now, but which was making aggressive noises. The second main problem was rate simplification to make life easier for the customer; a broad basic rate structure was needed in all areas, with proper weight breaks and with specific commodity rates applicable only to narrow descriptions on very high-volume items. There were substantial abuses of commodity rates by mis-declaration. The third need was for greater management analysis of cargo costs. "It is extremely depressing to spend days or weeks at a cargo conference arguing about a one- or two-penny difference." The carriers who were fighting so hard were at the same time providing free ground-handling or below-cost services to shippers.

A great deal was heard at Manila about the woes of small airlines. Mr Abu-Haidar (TMA) was one who believed that they should help themselves along, rather than being supported by the rest of the industry. As an example, he said that TMA had tackled the empty-return problem by helping in the market development of agricultural products from developing countries. "We can fill space and make money doing this." The prospect of entering the agricultural industry proved too much for Mr Ross Stainton (BOAC). "The farming business may be more attractive than our present business—but where do we stop—in gloves and sausage-skins?" But Mr Abu-Haidar was adamant: TMA might get out of the business again, but in the meantime would have created a market.

For Mr Ben-Ari (El Al), the present rate structure, based on passenger traffic, was all wrong, and a more flexible approach was needed. He did not think that IATA in its present form could cope with all the problems, and would have to develop its organisation. Mr H. Don Reynolds (IATA traffic director) said there were obstacles to revising the rate structure, such as the variation between markets, and the fact that carriers concentrated on traffic originating in their own countries. His *cri de cœur* was for qualified and intelligent men at the traffic conferences—"and if that means the president himself, I know of no rule against it."

Mr Kooka (Air-India) wanted to know whether one should permit IATA carriers to have shareholdings in non-IATA charter operators. The association, said Mr Reynolds, was in search of a balance; there was some need to attend to the area of South-East Asia, and it would be easier to do this under the revised traffic conference procedure. It was realised that standards were in some cases rather low in this area.

At the end of the symposium, delegates seemed only too ready to repeat the idea next year. I could find only one voice raised against it: "you can't take decisions and get things done in such a meeting—it was a waste of time." Most were glad to talk over their problems, and as the director general appears to be eager to encourage the maximum of debate, I look forward to a resumption in Munich next year.