

AIR TRAFFIC CONTROL JUSTIN WASTNAGE / LONDON

ATC dispute threatens CEATS plan

Eurocontrol moves to allay controller fears as unions criticise work allocation and central charge collection plans

Eurocontrol has launched a series of meetings with air traffic control (ATC) unions in an attempt to forestall any delay to the eight-nation Central European Air Traffic Services (CEATS) upper airspace project. Controllers in several central European countries are threatening to delay the operational definition phase of the project unless changes are made to the work allocation and en route charging formulas.

Austria approved funds last month to construct a unified centre in Vienna, which is set to take over all traffic above FL285

(28,500ft/8,700m) over Austria, Bosnia-Herzegovina, Croatia, the Czech Republic, Hungary, Italy, Slovakia and Slovenia from 2008. Dalibor Jovanovic, the Slovenia civil aviation authority's ATC president, says it is unlikely that CEATS will meet the strict timeline without controllers' co-operation, and that goodwill has broken down as a result of several proposals being rejected without consideration. Controllers are also concerned about the long-term viability of national centres once navigational charges are collected centrally.

Eurocontrol held a preliminary

meeting with representatives of the International Federation of Air Traffic Controllers' Associations last month and expects "more structured" regular meetings to correct several "misconceptions about the organisational structure" over the next few months. The CEATS management team at Eurocontrol says: "Communication with controllers has not always been our strong point", but adds that the agency wants to "work closely with the unions...so that we at Eurocontrol fully understand the human resources implications of CEATS".

Jovanovic says Eurocontrol

refused to consider a proposal drawn up by five of the states to use a "virtual centre" to carry out the planned Vienna facility's mission. This would consist of using the existing national control centres connected via secure high speed datalinks, and would be similar to an idea proposed for a joint Balkans upper airspace control centre.

Air traffic controllers are due to start contributing to operational discussions this year, and many are expected to apply for work at the new centre when posts become available later this year.

NO-FRILLS

SIA studies low-fare offshoot

Singapore Airlines (SIA) may set up a new no-frills carrier instead of keeping open the option of converting regional arm SilkAir into a low-fare unit.

In a statement, the Star Alliance airline says that it "is evaluating the start-up of a new low-cost, no-frills carrier...a specially formed task force has been working on the concept of the low-cost, no-frills airline and studying the economics of such a standalone model with its own brand identity. A decision on the project will be reached within this year and an announcement made at that time."

The revelation marks a major rethink, as the airline's executives have repeatedly said over the past year that if low-cost airlines such as Malaysia's AirAsia start posing a challenge, then it would look to SilkAir, which flies Airbus A319/A320s, to quickly create a low-cost operator.

AirAsia operates domestic flights only, but has said it is considering launching international flights from Senai airport near Johor Bahru, just across the border from Singapore.



Airbus A319s will join BMI from April as its Fokker 100s (above) head off

STRATEGY

BMI to streamline fleet and staff to cut costs

BMI British Midland is aiming to cut its operating costs by around 20% over the next three years by rationalising its fleet and shedding around one-third of its staff.

The UK airline says it is in negotiation with Airbus and "several other sources" to replace its six Fokker 100s with up to nine Airbus A319s as it reacts to the growing threat from no-frills carriers.

Nigel Turner, BMI chief financial officer, says the fleet renewal is part of a three-year cost-saving exercise called "Project Blue Sky" that aims to reduce costs by around £100 million (\$166 million) to bring it in line with "hybrid" no frills carriers,

such as EasyJet, serving primary airports. Turner says he expects the "natural attrition" of around 1,500 airport staff over the next three years – around 30% of the carrier's staff – as it moves to fully automated ticketing.

BMI's six Fokker 100s are due to return to Debis Air Finance from April and talks are under way with the lessor and other sources, including Airbus, to acquire up to nine replacements as they leave the fleet. "These could comprise any of the four A320 variants," says Turner, with the A319 seen as the frontrunner. The airline already flies 11 A320s and 10 A321s.

IN BRIEF

LAO CHANGES

Lao Aviation, the national carrier of Laos, has been rebranded Lao Airlines and has launched a fleet modernisation with the lease of an Airbus A320 from Singapore Aircraft Leasing Enterprise. It will fly international routes between Vientiane and points in South-East Asia and China.

JETSTREAM ENDS

BAE Systems Asset Management will stop selling and leasing 19-seat Jetstream 31 (J31) turboprops this year. BAE Systems' Regional Aircraft unit, which manages a portfolio of 226 aircraft, says it has had a difficult time "moving these aircraft into non-airline roles". It will still remarket the longer-range J32.

RBA OVERHAUL

Royal Brunei Airlines (RBA) is continuing its planned fleet overhaul with the lease of two more Airbus narrowbodies from CIT Aerospace. Royal Brunei agreed last year to lease two A319s from CIT and they are due for delivery in August and September. It has now signed for two A320s from CIT, the first of which will be delivered late this year and the second early in 2004.