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Highlights

Highlights of [GAO-06-920](#), a report to the Ranking Democratic Member, Subcommittee on Aviation, Committee on Transportation and Infrastructure, House of Representatives

Why GAO Did This Study

The U.S. aerospace industry's wide-ranging activities—including commercial aviation, national security, and space exploration—make it critical to the economic health and strategic strength of our nation. However, the industry faces challenges, such as a national air traffic management system that, in its present form, cannot handle expected increases in demand; an aging aerospace workforce; and an increasingly competitive global market. In response to these and other challenges, Congress established the Commission on the Future of the United States Aerospace Industry in 2001 to recommend potential actions by the federal government and others to support a robust aerospace industry in the 21st century. In 2002, the Commission made recommendations to address these challenges.

This report discusses (1) the extent to which federal agencies have addressed selected Commission recommendations and (2) the challenges that remain in addressing the recommendations. Based on the opinions of former Commissioners and GAO research, GAO selected recommendations dealing with the national airspace system, space policy, government-wide management structure, international issues, the aerospace workforce, and research and development. This report is based on reviews of agency documents, literature, and interviews with aerospace experts and officials from relevant federal agencies.

www.gao.gov/cgi-bin/getrpt?GAO-06-920.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Gerald L. Dillingham at (202) 512-2834 or dillingham@gao.gov.

U.S. AEROSPACE INDUSTRY

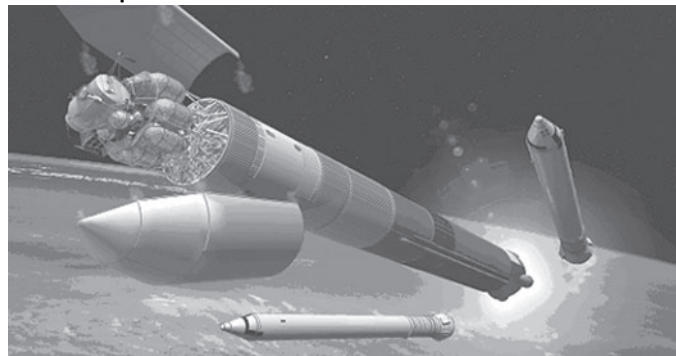
Progress in Implementing Aerospace Commission Recommendations, and Remaining Challenges

What GAO Found

Federal agencies have taken actions that address selected Commission recommendations to varying degrees, from establishing new offices, programs, and policies to changing existing programs or policies; however, the actions the agencies have taken are still in the early stages of implementation. For instance, the creation of the Joint Planning and Development Office (JPDO) addresses the recommendation to establish an interagency office to plan a new, highly automated air traffic management system; however, JPDO faces challenges in leveraging resources and maintaining the commitment of nonfederal stakeholders. Additionally, the National Aeronautics and Space Administration (NASA) created a directorate to implement the President's new space exploration policy, which addresses the Commission's space exploration recommendation. Aerospace experts told us that they believe this may negatively affect other space exploration programs that have significant benefits. Changes to existing programs include NASA's restructuring of its aeronautics research program and FAA's attempts to increase the U.S. presence in international aviation partnerships. Federal agencies have taken few, if any, actions to address other Commission's recommendations, such as creating a government-wide management structure for aerospace.

Challenges remain for federal agencies in further addressing the Commission's recommendations, including dealing with difficult budgetary trade-offs and collaborating on actions involving multiple agencies. For example, federal agencies may have to give priority to some programs that address Commission recommendations at the expense of other programs because of budget limitations. In addition, with multiple agencies involved in the U.S. aerospace industry, a lack of coordination among them, aerospace companies, and universities could result in duplication and inefficient resource leveraging. GAO provided a draft of this report to the relevant federal agencies. The Department of Defense had no comments; the other agencies generally concurred with the report, but provided clarifications and technical comments, which GAO incorporated as appropriate.

Proposed Cargo Launch Vehicle with Lunar Lander Is an Example of Aerospace Research and Development



Sources: NASA; John Frassanito and Associates.