

Draft Civil Aviation Policy 2015: Are we making our airports safer?**The proposed changes to the ground handling policy could easily lead to chaos and become a security issue****By: Dr Sanat Kaul | December 22, 2015 1:02 AM**

While the current draft civil aviation policy 2015 has come out with some positive, forward-looking directions such as regional and remote connectivity, it has also made some issues more retrograde than necessary. Two such matters that stand out are the indecision on the 5/20 rule and the proposed new ground handling policy. While much has been written on the 5/20 rule and the matter is now with the Competition Commission of India, the ground handling policy has been turned upside down.

Ground handling at an airport involves all aspects of management of an aircraft between the time it arrives and takes off—cleaning, passenger and cargo handling, cabin service, catering service, ramp service, guiding aircraft into parking slots, lavatory cleaning, air conditioning, airstart services, baggage handling, etc. Clearly, speed, efficiency, security and accuracy are important in these services.

One aspect of these services is the use of expensive and sophisticated equipment, its maintenance and parking in the limited area available at an airport. There is a tendency amongst European airlines to outsource this business to ground handling agents (GHAs). European airports with over 20 million passengers tend to have about two GHAs while the European Union wants to have three for greater competition. It has been documented that productivity decreases in proportion to the growing number of ground handlers. More the GHAs, more space for parking their equipment is needed. The pooling of equipment has been suggested but it is found impractical due to competition.

While airlines want greater competition to lower the prices, it becomes a case of decreasing inefficiency—for one of the most efficient airports in the world like Dubai, there is only one GHA, besides the Emirates doing self-handling.

Another aspect of ground handling is the use of skilled whole-time bona fide manpower and restricting its number. Since efficiency and high skills are essential for a good and quick turnaround of aircraft, the labour needs to be highly trained and motivated.

On top of this is airport security, an issue which is paramount for Indian airports. The more the ground handlers, the more will be the manpower and, therefore, the greater is the security risk. The risk becomes much higher when the labour component is casual and not permanently employed by GHAs or a self-handling airline. In India, there is a tendency to use labour contractors for ground handling. This is a dangerous security issue

because police verification and on-ground vigilance of such a large and changing workforce cannot be done in a short period of time, and will never be as good as a permanent workforce permitted inside the airport by the Bureau of Civil Aviation Security.

Let us, therefore, examine the changes in the ground handling policy in the proposed draft. From the existing policy of the Airports Authority of India (AAI) based on ground handling regulations of 2007 along with amendment of 2010, which permitted three GHAs per airport, of which two were selected through competitive open global bidding process (the third being a subsidiary of Air India or its JV), and thereby ensured the best handling agencies selected through a proper process, the draft policy wants to turn it upside down. The 2007 policy allowed only bona fide whole-time employees of GHAs to be deployed at airports, thereby eliminating casual manpower. Further, only Indian airlines were allowed self-handling, not foreign airlines. The selected GHAs were given a 10-year period at the airport so that they may bring in the expensive equipment needed for efficient ground handling—a period which ends around 2018-19 (with provision of extensions) and recruit and train a permanent skilled manpower. Any change in the policy now may, perhaps, attract penalties and legal cases. However, under the current proposal, each airport operator must have at least three GHAs, of which one will be Air India through its subsidiary or its JV but there will be no upper limit of GHAs at an airport. Further, all domestic airlines and charter operators will be free to carry out self-handling through themselves or their own subsidiaries and are permitted to ground handle another airline. This means that any Indian airline or its subsidiary automatically qualifies to become a GHA. Also, while ground handling staff will be on the rolls of GHAs, airlines or their subsidiaries are allowed to take contract employees with a contract of at least one year, which is against the labour laws.

The background to this new policy is the ongoing tussle between the government and airlines who want an open ground handling policy with outsourcing being permitted. However, in a press statement of October 25, 2012, the ministry of civil aviation had clarified that outsourcing of employees will not be permitted due to security reasons.

It may be pointed out that charges and rates for ground handling at airports with over 1.5 million passengers per annum is the responsibility of the Airports Economic Regulatory Authority. Therefore, limited competition at an Indian airport is not an issue as a regulator is already in place.

The proposed changes to the ground handling policy could easily lead to chaos and a security issue. It is presumed that the proposed policy has been made in the ministry of civil aviation and no consultation has yet taken place with the ministry of home affairs or the National Security Advisor office.

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