



NATIONAL CARRIER WILL STRENGTHEN NIGERIA'S AVIATION INDUSTRY – EXPERTS

News / Airlines



Since President Muhammadu Buhari gave a presidential directive to the Ministry of **Aviation** to fast-track the process of establishing a new **national carrier**, a new impetus has been added to the nation's aviation sector. It was one directive that has generated mixed feelings across the country, especially the all-important aviation industry.

It would be recalled that the president, while receiving briefing from officials of the Aviation Ministry, led by the permanent secretary, Binta Bello, at the Presidential Villa, Abuja, expressed concern about Nigeria not having a national air carrier. The permanent secretary added that the president had given instruction to establish a new one.

"The president has directed the ministry to look into the possibility of having a national carrier as soon as possible," she said.

Since 2003 when the **Nigeria Airways** went under, successive governments have been dilly-dallying over re-introducing a new national carrier.

The Nigeria Airways (NA), in its halcyon days, was a flagship in the global aviation industry. It flew many routes and provided safe and efficient air transportation for Nigeria for decades, until 2003 when it was liquidated, owing largely to indebtedness and mismanagement.

The then national carrier, formerly known as the West Africa Airways Corporation (WAAC),

Nigeria, was founded in 1958 as a succeeding company of the West Africa Airways Corporation (WAAC), which was folding up at the time. It later metamorphosed into the Nigeria Airways in 1971 and was fully operated by the federal government.

Apart from serving as a viable business concern with over 30 aircraft in its fleet, the Nigeria Airways provided cheap and more or less free services for the less privileged Nigerians to travel by air within and outside Nigeria. But all this luxury had long vanished with the liquidation of the company. Before it went down, the company was heavily insolvent and its fleet hugely depleted to as low as three aircraft. It was such an inglorious end to a once thriving and vibrant business.

Experts say the death of the Nigeria Airways has greatly impacted on the nation's aviation sector by hampering its growth and development and blighted the sector's capacity to compete favourably with its counterparts all over the world.

What currently obtains in Nigeria, according to analysts, is the proliferation of some mushroom airlines which could not rival the capacity of the Nigeria Airways in its heydays. Director-General of the Nigeria Civil Aviation Authority (NCAA), Capt. Muhtar Usman recently said, "In Nigeria today, we have 30 certified air operators, over 400 in-service aircraft registered in Nigeria. In addition, there are about 46 corporate jets, 130 helicopters and 100 foreign registered private jets."

This obviously confirms the low level upon which most of the airlines in Nigeria operate. Besides, the airlines are said to be largely failing to meet their financial obligations to regulatory authorities in the country. The NCAA has just threatened to sanction airlines which default in remitting the five per cent ticket sale charge to it.

Sources say most of the airlines in Nigeria are indebted to the NCAA as well as the Federal Airports Authority of Nigeria (FAAN), among other agencies.

According to the Aviation Ministry permanent secretary, the president was briefed on the challenges domestic airlines were facing in spite of federal government's N300 billion intervention fund towards boosting their operations.

The airlines, she said, were hugely indebted to regulatory agencies under the Aviation Ministry, including other factors that have left some of the airlines still struggling to maintain optimum operational capabilities.

Amidst these multifarious challenges confronting the domestic airlines came the new thinking about having another national carrier as directed by President Buhari. While some stakeholders welcome the idea, others are skeptical about the feasibility of another model of the Nigeria Airways. But in aggregate, experts see the new approach as a positive development that would propel the growth of the nation's aviation industry, especially going by the current challenges the domestic airlines are facing.

Speaking with our correspondent, a top aviation stakeholder, Captain AbdulMumeen Nurudeen said the planned re-introduction of the national carrier was a welcome idea.

Nurudeen, who is the rector of the Ilorin International Aviation College, noted that the defunct national carrier could boast of some of the best pilots and professionals in the world, but graft and bureaucracy did not allow the airlines to subsist.

He advocated that the government could adopt a public-private-partnership approach in finding a replacement for the Nigeria Airways, saying government doesn't have to wholly own an airline.

"We have Lufthanza, we have Air France, British Airways; they are companies supported by government. We also have the Ethiopian Airline, it is still there," he said, while commending the president for mooted the idea of a new national carrier. The decision, according to him, would sanitise the sector.

The rector said, "Corruption and bureaucracy killed the Nigeria Airways in the first place. Not that they lacked manpower; they had some of the best pilots and professionals. If professionals are allowed to do their work, administratively they are allowed to work as per the laid down regulations, there is no reason why any airline institute should not work, particularly the one that has support of the government.

“The Nigerian government doesn’t have to own it 100 per cent. So I think it would be very wise and a welcome idea. I thank the government, particularly the leadership of President Muhammadu Buhari for even thinking of that. It would bring a lot of sanity into the aviation industry.

“We believe that it would be allowed to work. I strongly support that. We have the professionals, we have the manpower. It is just that the new established rules should be followed. You know that when corners are cut, it kills. Look at the embezzlement in the Nigeria Airways. The assets of the Nigeria Airways are enough to build two or more airlines.”

He added that some of the airlines operating in Nigeria could merge to become a national carrier. “In aviation and any entity, there is nothing wrong in joining hands. Look at Air France and other airlines that come under one umbrella, competition is okay, but there is nothing wrong in sharing common goal of serving the public and doing business; there is nothing wrong in that. So it depends; it is not winner takes all. If you are strong on one side, another person is strong on one side, when you join forces, what happens? There would be a synergy. That’s what Nigeria airlines should start looking for: synergy,” he said.

But an industry player who preferred anonymity doubts the workability of another national carrier, saying it could be hijacked by selfish interests of some powerful cabals in the country.

“Besides, the Nigeria Airways was more of a social organisation during its days. Government had money then to run the airline and even provided free services for Nigerians; but where would government get that kind of money now?”

Many air travellers who spoke with Daily Trust on Sunday also said they were upbeat about the new national carrier, hoping it would boost air transportation in the country.

Pastor Mike Nwaokobia, an air traveller said, “I believe it is feasible to have a new carrier. If there is a will, there will always be a way. Government has to show the political will to pursue this plan.”

On his part, Chris Aligbe, a former staff of the Nigeria Airways, said a national carrier is long overdue, especially if viewed from the mismanagement of the country’s many Bilateral Air Service Agreements (BASA) entered into with many countries.

He said, “A national carrier would respond to all our BASA rights. It would reciprocate the BASA rights. A national carrier is long overdue in our country. It is good, it is a highly responsible for the present government to say we must re-establish a national airline, but it should be re-established in the best way it should be, not in the form of the Nigeria Airways, where government owned 100 per cent, no. Government should not own that kind of 100 per cent, government should not even invest money, it should be zero funding by government. But the government should have equity, what we call sweat equity. And once it is re-established, Nigerians should have access in two, three years to buy into the airline so that it becomes a property of Nigerians. And government’s equity would be limited to about 10, 20 per cent, not more than that, yet government should not invest any fund in it. Funds should be used for other things; that is what we need. It would help a lot; we need it because we are losing so much money on capital flights. We are losing \$2.7 billion on capital flight only on ticket from our country. So we need to cut it back.

“Those who are fighting against the establishment of national airline might be some operators. It is just a dog-in-the-manger argument. They cannot do what a national carrier, if it is established, would do. They are not prepared, they are not in any way going to do it. So it is a self-regarding and maybe primitive egoism, not thinking about the country, not thinking about the future of the country, not thinking about the young people who are looking for jobs, young professionals, pilots and engineers who are looking for jobs, who have been trained and they cannot get jobs. So they can’t do what a national carrier can do, yet they are arguing.

“I don’t see how they came to that point. This country will not wait for them. This country should not wait and that dog in the manger argument, they should keep it to themselves, it is not in the interest of our country.”

The questions on the lips of many observers regarding the national carrier plan are how the government intends to approach the new plan, whether or not the government would allow the

national carrier to run and operate like a business devoid of interference and bureaucratic bottlenecks, which are said to be largely responsible for the death of the Nigeria Airways.

04 OCTOBER 2015

SOURCE: DAILYTRUST

ARTICLE LINK:

<https://50skyshades.com/index.php/news/airlines/national-carrier-will-strengthen-nigerias-aviation-industry-experts>