FLIGHTPATH
ECONOMICS

Matt Barton   matt@flightpath-economics.com
Dan Akins   dan@flightpath-economics.com

The Problem

There are not enough qualified airline pilots to meet the demand for air service in the United States. No airline is immune to the problem and, without action, the situation will get much worse.

Causes

A Mass Exodus. Airline pilots are required to retire at age 65. Over 25,000 pilots, roughly half of the pilot workforce at large U.S. airlines, will retire by 2027. More will retire before their 65th birthdays.*

Not Enough New Pilots. The talent pool is smaller than ever. Younger generations have less interest in flying. Training is expensive and difficult to finance. Current aspiring pilot have fewer pathways to gaining requisite experience than retiring pilots did. Commercial aviation and government have not adequately invested in growing the pilot workforce.

Collateral Damage

Passenger Safety. Pilots are retiring faster than airlines can hire, making them unable to mentor the next generation of aviators. Airlines are self-reporting a decline in the quality of new pilots who have higher wash-out rates and more bad habits. As more airports lose service, travelers turn to highway travel which is significantly less safe.

Jobs. At the current rate, an estimated one million American jobs will be lost by 2026.*

Fares. As service dwindles, and demand continues to rise, airfares will increase.

Economic Activity. Overall, America will lose over $760 billion in GDP over the next ten years.*

Rural Connectivity. Rural America and smaller communities are disproportionately impacted. Since 2013, 36 airports have been completely disconnected. This number is rising as carriers are forced to reduce service.*

Military Readiness. Desperate airlines are luring pilots away from the military at a rapid pace. The cost of training and retaining new pilots for our armed services is unsustainable.

Service. Over 60 percent of U.S. air carriers are already experiencing severe operational limitations caused by the constrained supply and availability of qualified pilots.*

Solutions

There is no "silver bullet" to get America out of this workforce crisis. Addressing the problem will require a combination of policy changes and collaboration across industry stakeholders and the government. Three general concepts require the most attention:

1. Lowering financial barriers to the profession. Training and time-building are expensive and the costs are effectively impossible to finance. Few aspiring pilots have the resources to pursue to the career.

2. Increasing the number of pathways to required flight hours. Changes in the industry have limited ways for young pilots to accrue the flight hours necessary to become an airline pilot.

3. Modernizing pilot training. Every aviation stakeholder's top priority is safety. AWA supports pilot training and evaluation based on competency, utilizing the best available technology and most effective methods. Improving the safety of the system will help ease the pilot shortage

*An in-depth analysis of the pilot shortage, including the data supporting these facts, can be found in Flightpath Economics' white paper *A Man-Made Disaster: Pilot Shortage Review of 2016, Predictions for 2017* at www.flight-economics.com.