


Regional Airline Association

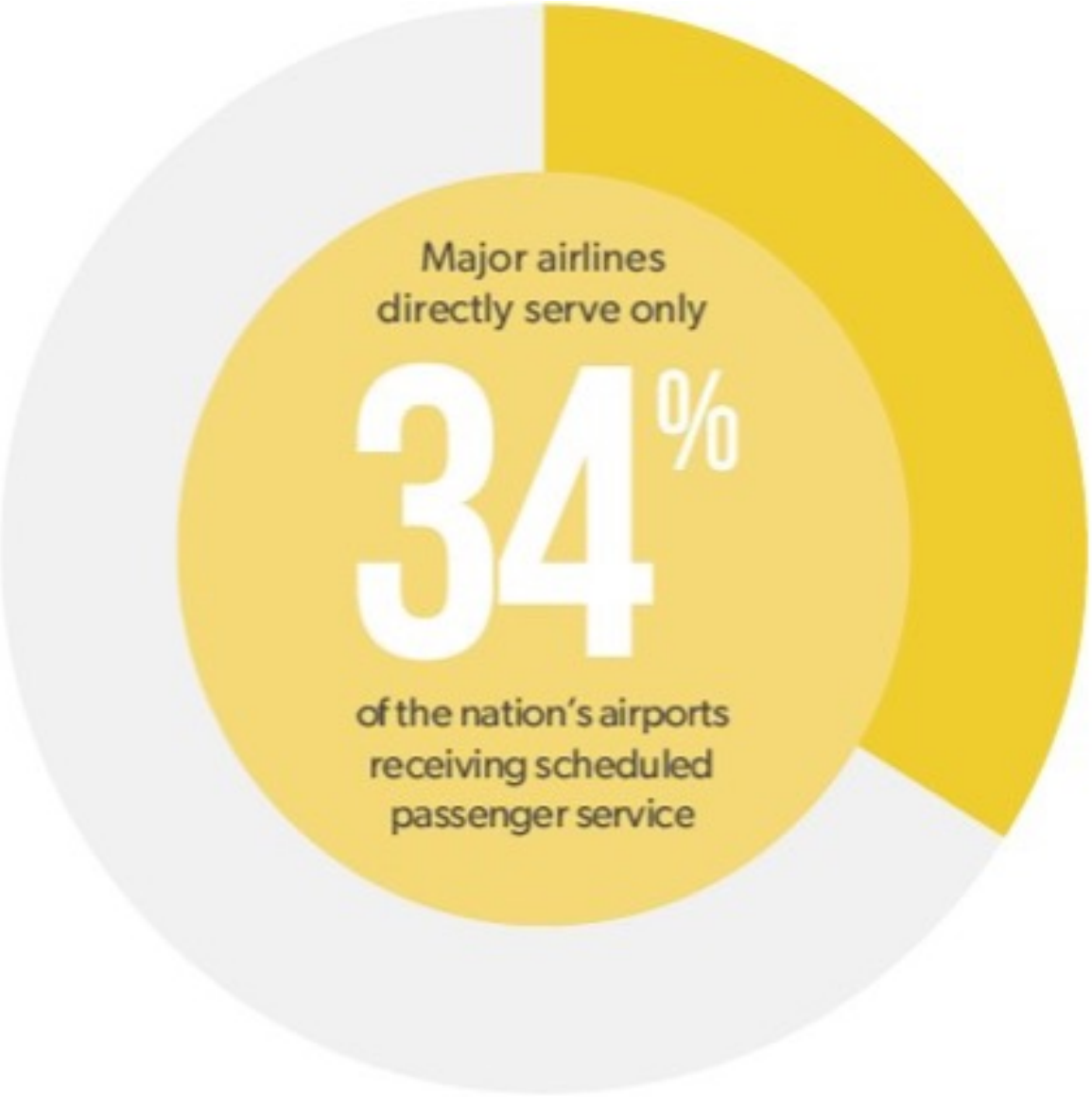


Pilot Workforce and Small Community Air Service Trends

May 2022


66%
of U.S. airports with scheduled passenger air service get their ONLY source of air service from regional airlines.


43%
of scheduled passenger departures were operated by U.S. regional airlines.



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A total of 31 states get half or more of their air service from regional airlines:

REGIONAL AIRLINES PROVIDE

50% OR MORE

of the air service
In these states
and territories

- Idaho (74.30%)
- Illinois (53.53%)
- Indiana (59.05%)
- Michigan (59.63%)
- Minnesota (50.87%)
- Nebraska (65.26%)
- New Hampshire (73.06%)
- New Mexico (59.36%)
- North Carolina (56.35%)
- Ohio (55.67%)
- Oklahoma (54.68%)
- Oregon (62.12%)
- Pennsylvania (57.93%)
- Puerto Rico (70.53%)
- South Carolina (60.84%)
- Virginia (56.86%)
- Wisconsin (67.07%)
- Wyoming (67.58%)

REGIONAL AIRLINES PROVIDE

75% OR MORE

of the air service
In these states

- Alabama (80.82%)
- Alaska (86.59%)
- Arkansas (85.03%)
- Iowa (81.27%)
- Kansas (79.80%)
- Kentucky (76.18%)
- Maine (86.83%)
- Mississippi (94.31%)
- Montana (78.84%)
- North Dakota (86.56%)
- South Dakota (86.17%)
- Vermont (91.65%)
- West Virginia (92.48%)

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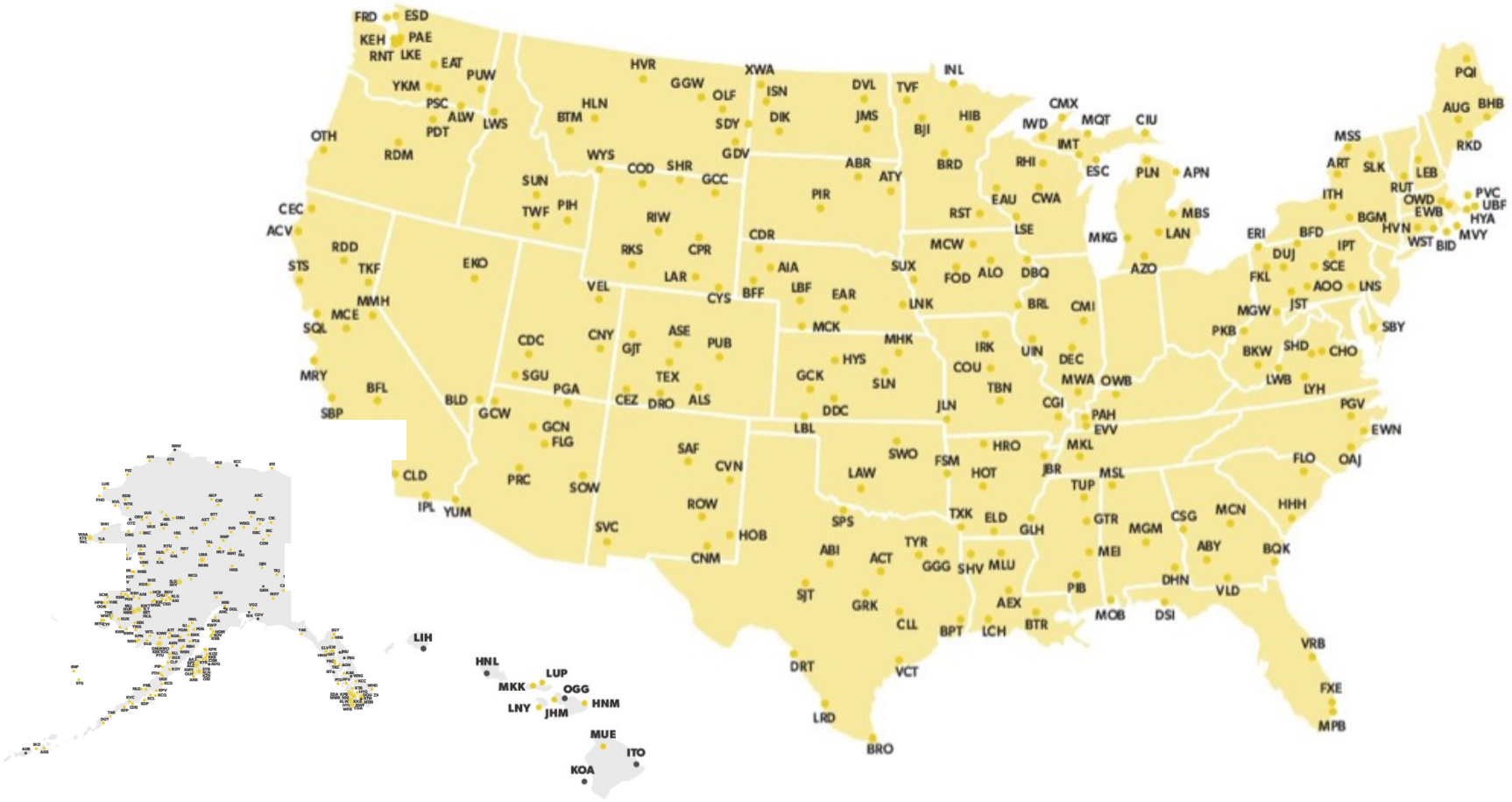
Economic Impact of Air Service to Small Communities

Small community is Small, Non-hub and EAS markets



OVER

1 MILLION

JOBS PROVIDED

+

OVER

$41 BILLION

LOCAL WAGES & TAX REVENUES

=

NEARLY

$153 BILLION

TOTAL ECONOMIC IMPACT

Source: Swelbar-Zhong Consultancy for RAA, based on modeling in FAA's Economic Impact Study 2019

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Small Community Departures are Important to the U.S. Aviation System

Regional airlines bring small community passengers through and beyond the hubs and operate **more than half** the departures at several large hub airports.

TOP 50 U.S. AIRPORTS FOR REGIONAL DEPARTURES

Ranked by total scheduled departures with regional aircraft in 2020

TOP 10

Rank	Airport	Airport Code	Regional Departures	Total Departures	Regional Share
1	**Chicago**	ORD	173,942	279,645	**62%**
2	**Dallas**	DFW	136,523	289,202	**47%**
3	**Charlotte**	CLT	109,727	194,734	**56%**
4	**Denver**	DEN	71,915	219,912	**33%**
5	**Houston**	IAH	69,074	126,278	**55%**
6	**Detroit**	DTW	63,471	117,745	**54%**
7	**Seattle**	SEA	62,690	155,114	**40%**
8	**Atlanta**	ATL	61,260	273,289	**22%**
9	**Minneapolis/ St Paul**	MSP	54,317	114,477	**47%**
10	**Philadelphia**	PHL	49,050	95,167	**52%**

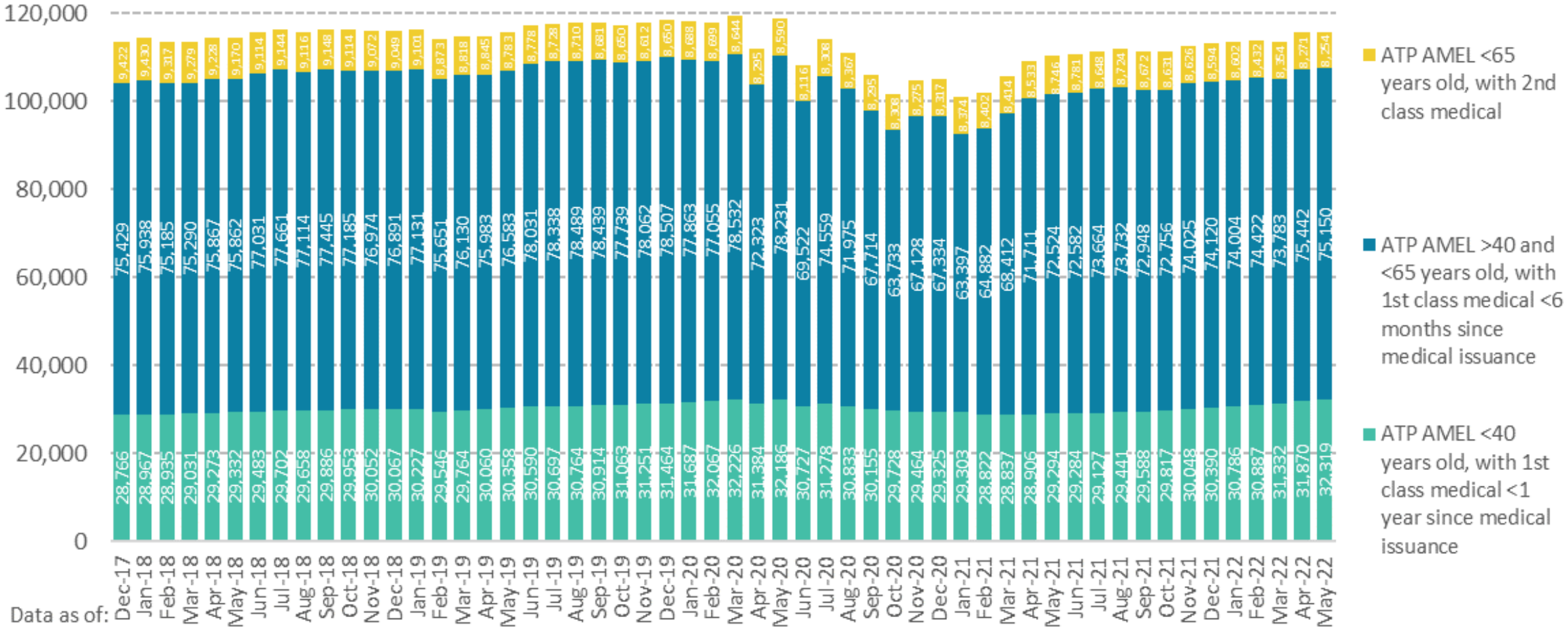
Source: Analysis of OAG Schedules Analyser data

Headwinds for Small Communities

- An existing pilot shortage, accelerated and amplified by pandemic forces, poses a very high threat to small community air service.
- US regional carriers must fight the hardest to attract talent given the variety of competition; this increases labor costs and worsens margins on lower density markets.
- Low revenue and higher cost environment reduces the ability for strong markets to help bring along weaker markets.
- **Decisions are more likely to turn on highest, best use.** Marginal markets are exposed to higher risk with faster consequences. Marginal aircraft with higher unit costs get parked.
- When industry shock forces network carriers to retract air service, small communities are hit first and worst.
- During the Great Recession, smaller communities lost more than 31% of their departures, and lost departures at a rate that was five times greater than losses at larger airports.

Pilot Medicals (Required for Qualification) Show Pandemic Impact

Despite rebound in pilots from acute drop, deficit of 3,289 pilots with 1st class medicals vs. pre-pandemic.



Data Source: FAA's Registry Services and Information Management Branch, AFB-730

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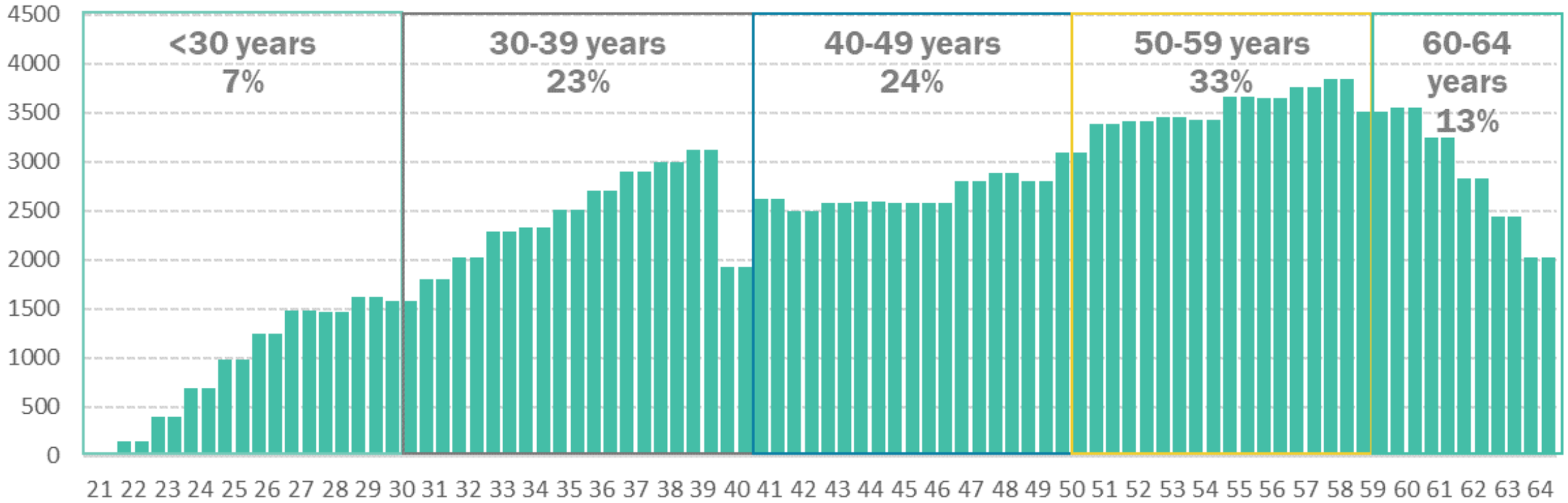
Today's Qualified Pilots Are Rapidly Approaching Mandatory Retirement



- 46% of all ATP AMEL airmen with valid 1st class medicals will reach mandatory retirement age within 15 years (49,281 airmen).
- 13% of all ATP AMEL airmen with valid 1st class medicals will reach mandatory retirement age within 5 years (14,085 airmen).

Data Source: FAA's Registry Services and Information Management Branch, AFB-730

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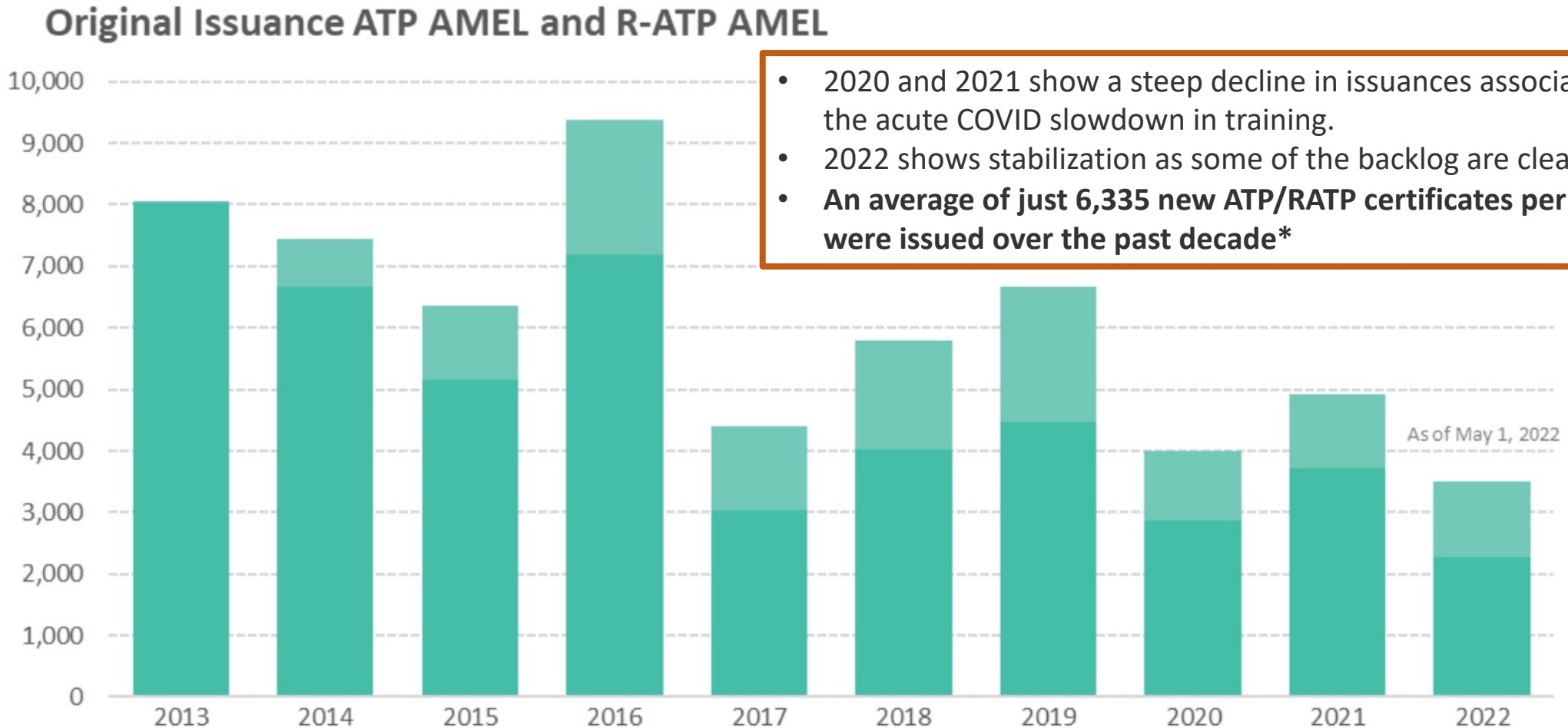
COVID Dramatically Slowed Issuance of New Certificates



- 2020 and 2021 show a steep decline in issuances associated with the acute COVID slowdown in training.
- 2022 shows stabilization as some of the backlog are cleared.
- **An average of just 6,335 new ATP/RATP certificates per year were issued over the past decade***

Source: FAA's Registry Services and Information Management Branch, AFB-730

*The U.S. Civil Airmen Statistics summary published by the FAA shows that the average yearly issuance is **even lower** historically.

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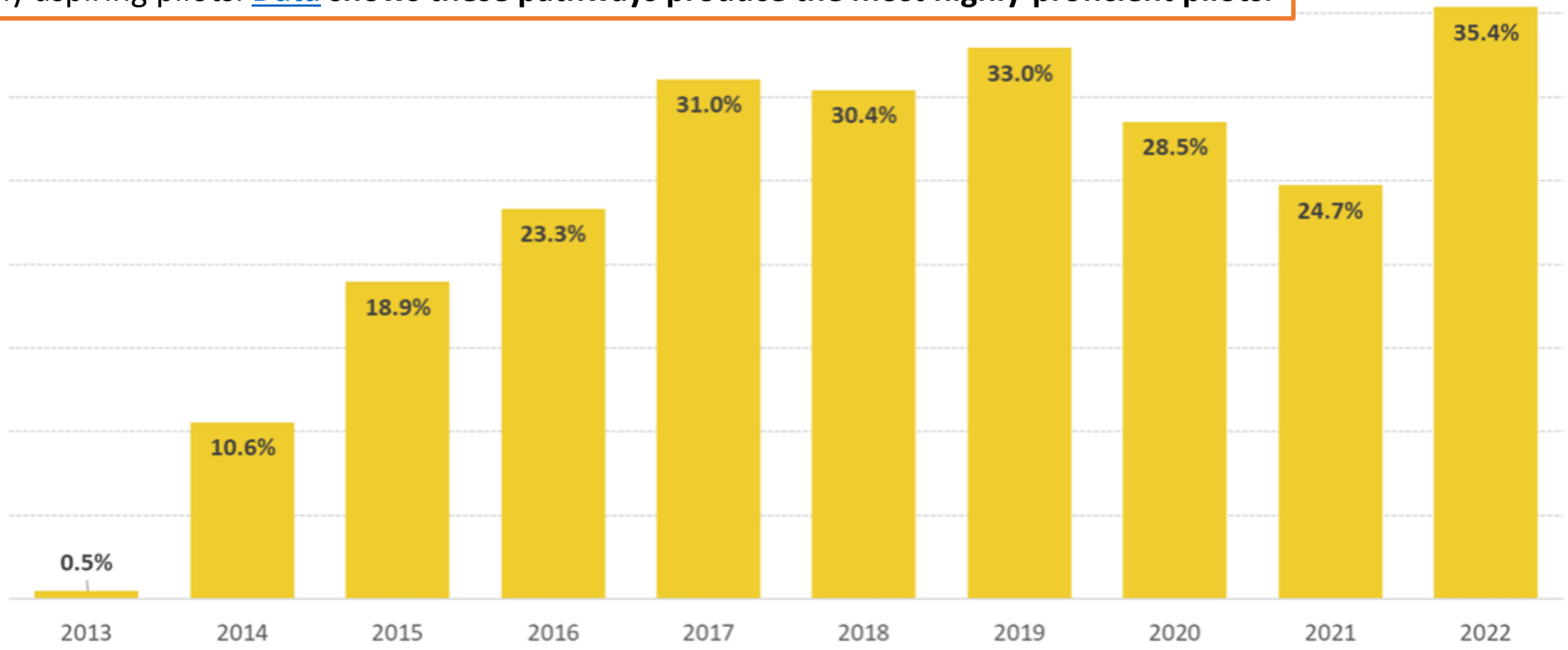
Structured Training Pathways Improve Proficiency and are Underutilized

Demand for R-ATP pathways is growing, but significant barriers to entry (financial inequity, geographical, collegiate/non-collegiate) place structured training pathways out of reach for many aspiring pilots. Data **shows these pathways produce the most highly-proficient pilots.**



Percentage of Original Issuance ATP AMEL with Restricted Privileges

Data Source: FAA's Registry Services and Information Management Branch, AFB-730

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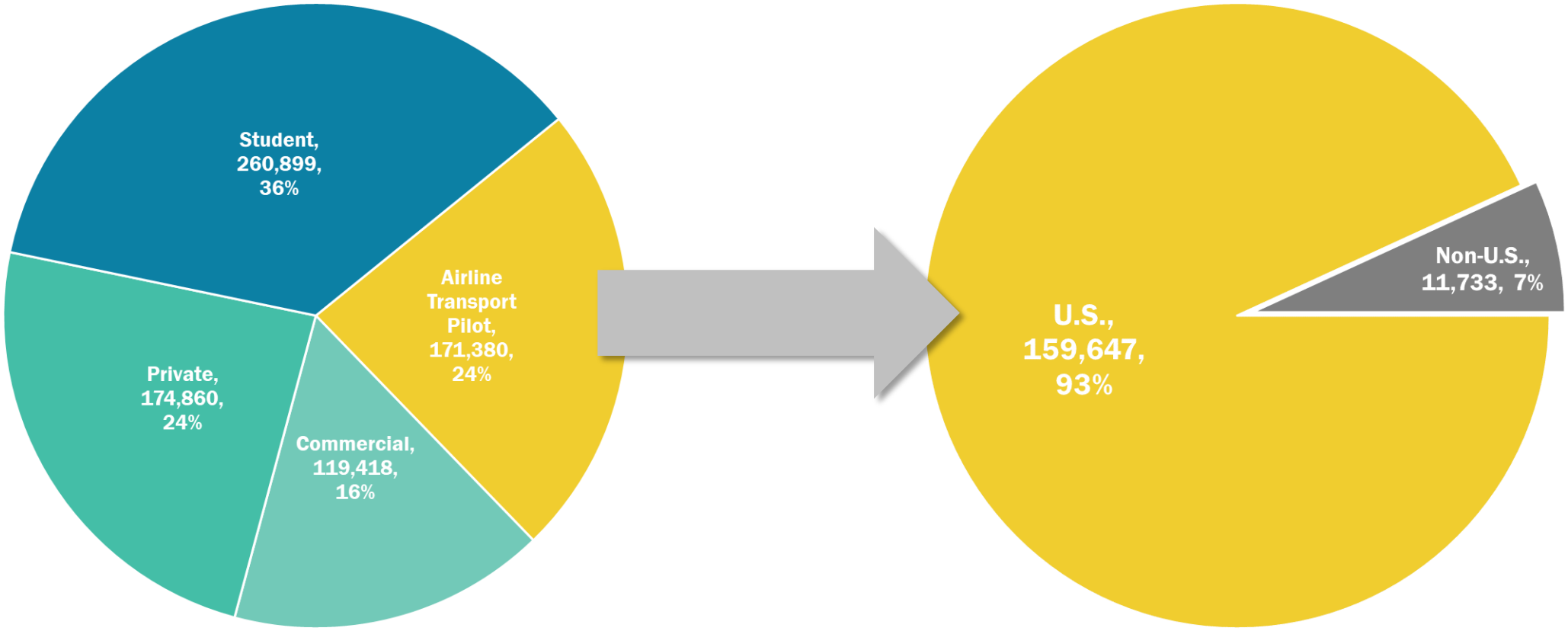
How many pilots are TRULY available?

Total count of Air Transport Pilots (ATPs) insufficient representation of supply



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What's Inside the FAA's Certificated Airmen Database?

- Of 171,380 ATP certificates, 11,733 are foreign nationality/non-U.S. citizenship (7% of ATPs)
  - *11% of all certificate types are held by non-U.S. citizens*
- 107,469 ATPs with AMEL (Airplane – Multiengine Land) and unexpired 1st class medicals

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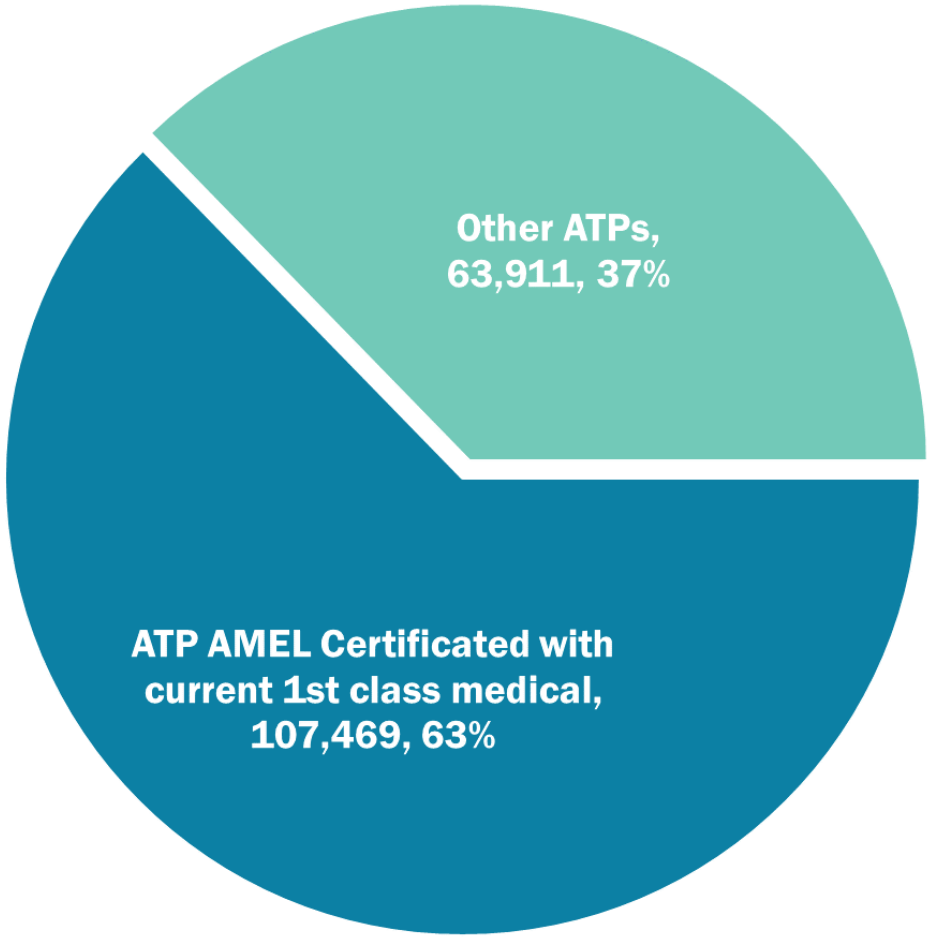

- **At minimum, 37% of total ATP certificates are *ineligible for hire***
- **Currently unquantifiable additional disqualifications:**
  - Piloting ability
  - Check-ride failures
  - Recency and type of experience
  - Instrument proficiency
  - Criminal record

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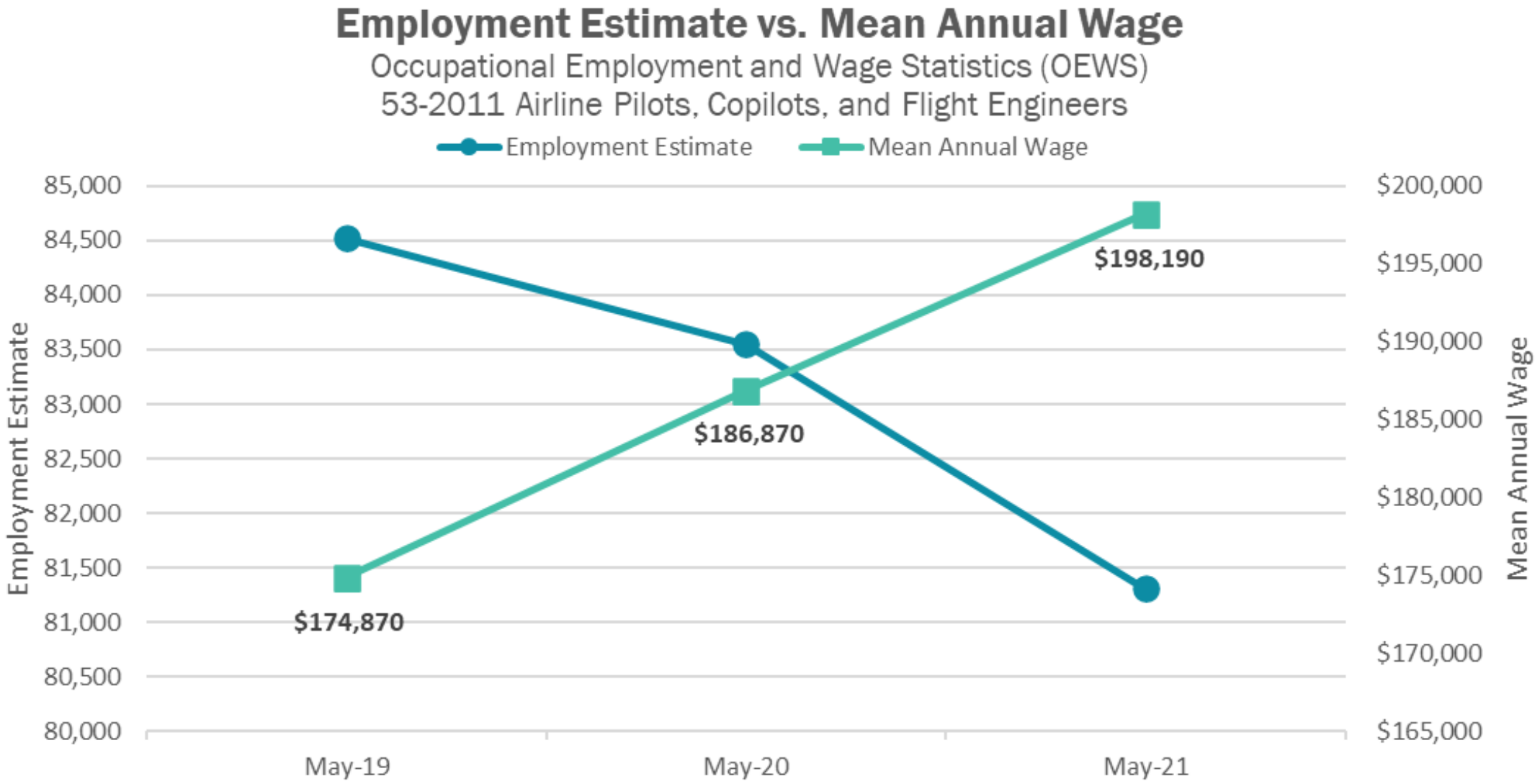
How many pilots are TRULY available?

- There are currently 107,469 ATP AMEL pilots with current 1st class medicals *(required for hire)*
- Seniority lists for the legacy, regional, low cost, national, and large cargo carriers total more than 97,000 pilots
- The number of ATP AMEL pilots potentially hirable is barely over 10,000
- Additional disqualifying factors include:
  - Piloting ability
  - Check-ride failures
  - Recency and type of experience
  - Instrument proficiency
  - Criminal record

RAA Member Airlines	19,125
American	15,176
Delta	13,520
United	13,023
Southwest	9,122
FedEx	5,037
JetBlue	4,300
UPS	2,927
Alaska	3,113
Spirit	3,018
NetJets	2,328
Frontier	1,684
Allegiant	1,057
Hawaiian	847
Sun Country	462
Avelo	88
Breeze	85
Atlas	2,500
Total Pilots	97,412

Pilot Workforce Shrinking Despite Pay Increases



https://www.bls.gov/oes/current/oes532011.htm#top

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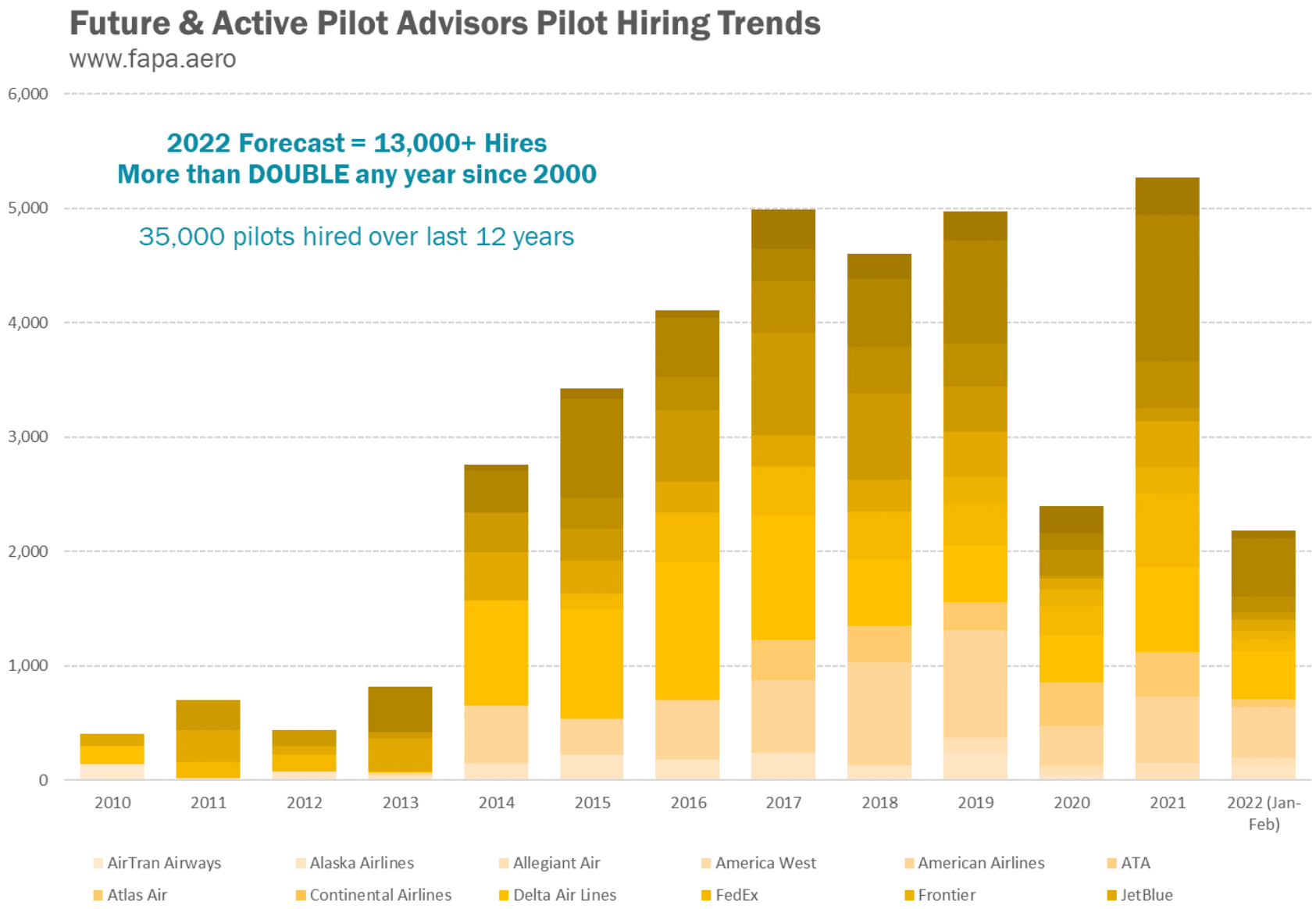
Pilot Demand at Majors Alone Already Outpacing Supply



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Pilot Shortage by the Numbers

BLS Estimated Average **Yearly** Airline Pilot Openings 2020-2030 = 14,500

FAA's Average **Yearly** ATP/R-ATP new certificate issuance 2013-2021 = 6,335

14,500 – 6,335 = (8,165) potential annual pilot shortfall

At 5 crews (10 pilots) per aircraft, a shortfall of 8,165 pilots could park 817 aircraft in a single year.

Capacity will also be drawn down through lower utilization of the remaining fleet.

1,777

Total RAA member operated aircraft.

- Actual annual 2022-2023 hiring vs. BLS forecast openings may vary; training and supply chain slowdowns could slow growth but would not obviate a shortage this vast.

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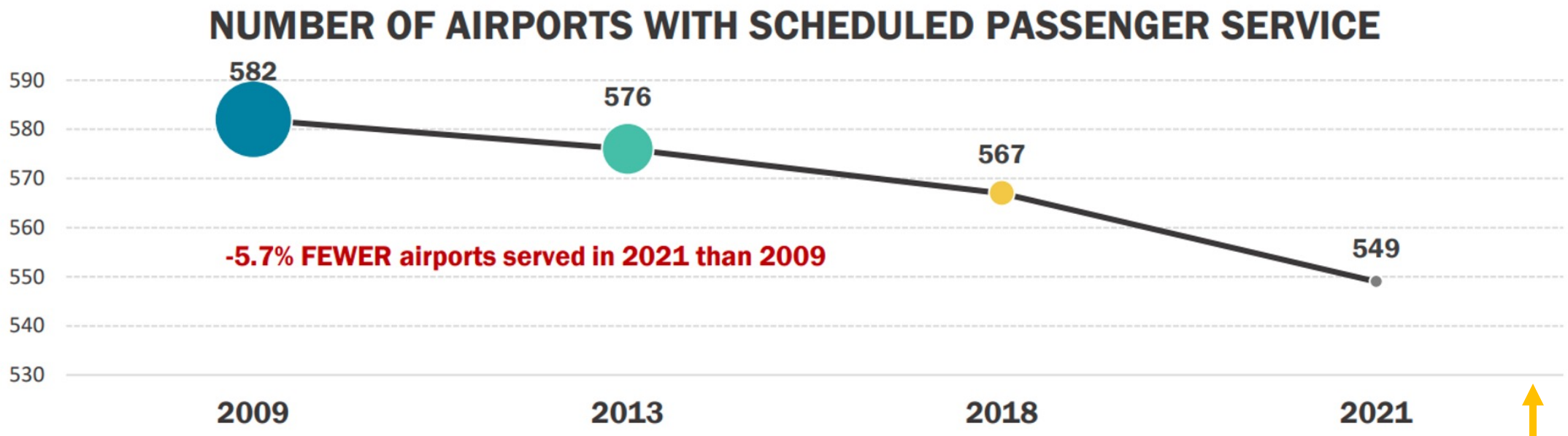
Dozens of Airports Have Lost all Air Service as Shortage Grows



First quarter 2022, compared with first quarter 2019, had 13% fewer flights.
Recently announced air service cuts **do not yet reflect** in those numbers.

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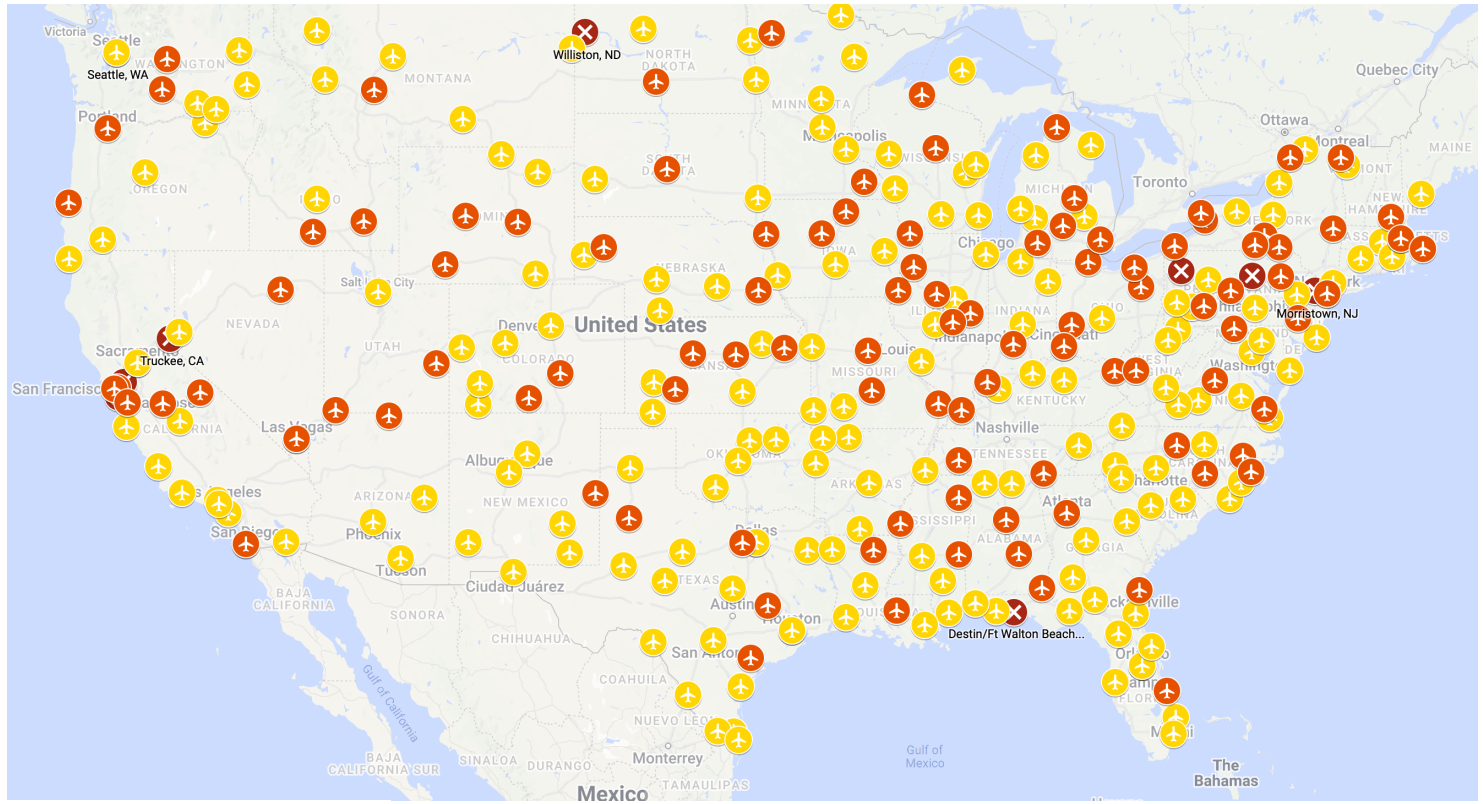
Dramatic Air Service Loss 1Q2019 vs. 1Q2022

- 303 (70%) airports experienced loss (loss of all service or reduced departures)
- 9 Airports lost all air service.
- 188 Communities lost up to 25% of their air service.
- 106 Communities lost more than 25% of their air service.



Source: OAG Schedules 1Q2019 vs. 1Q2022 (Analysis excludes Alaska)

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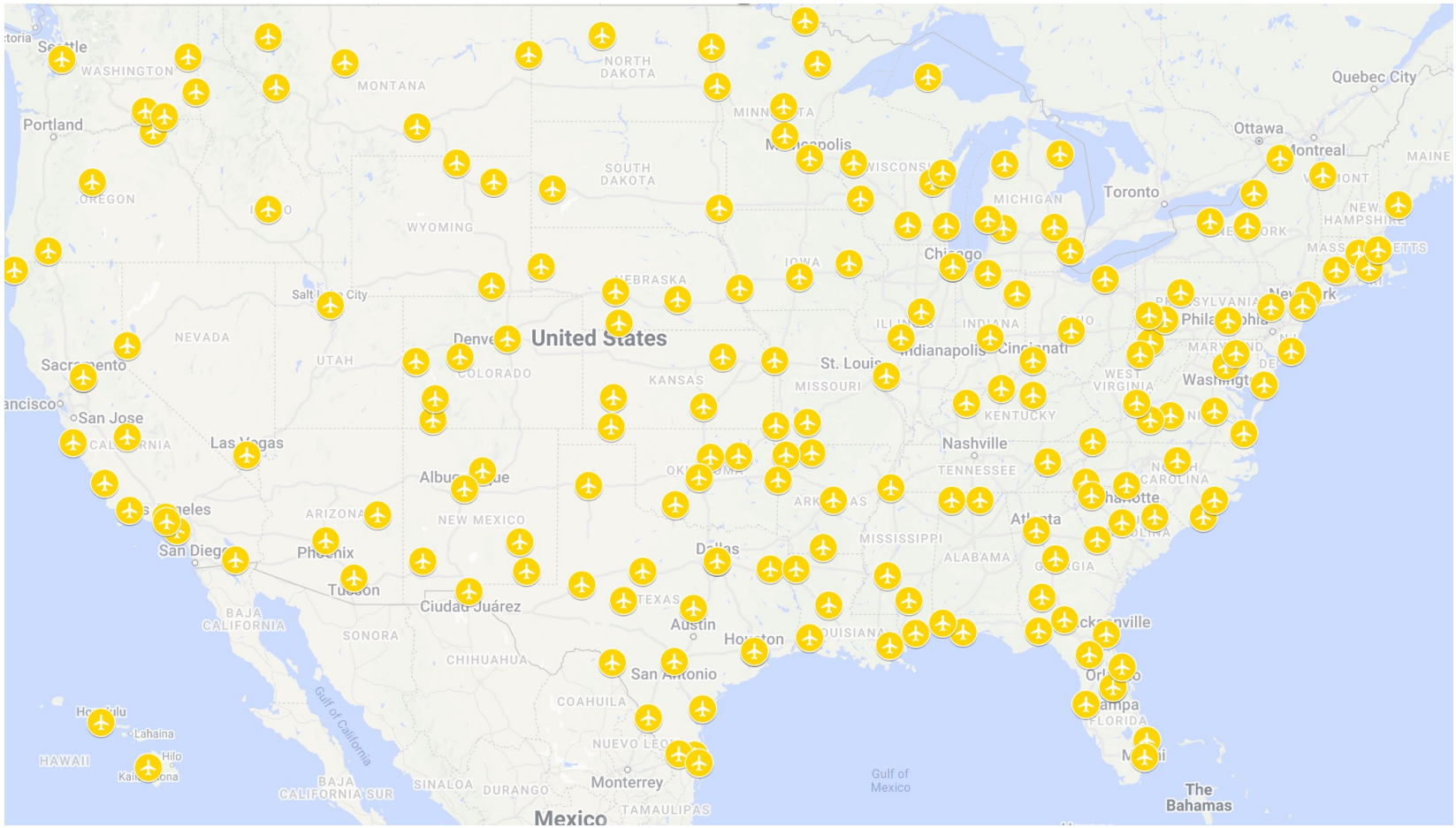
188 Communities Lost up to 25% of Their Departures (1Q19 vs 1Q22)



Source OAG Schedules, analysis excludes Alaska

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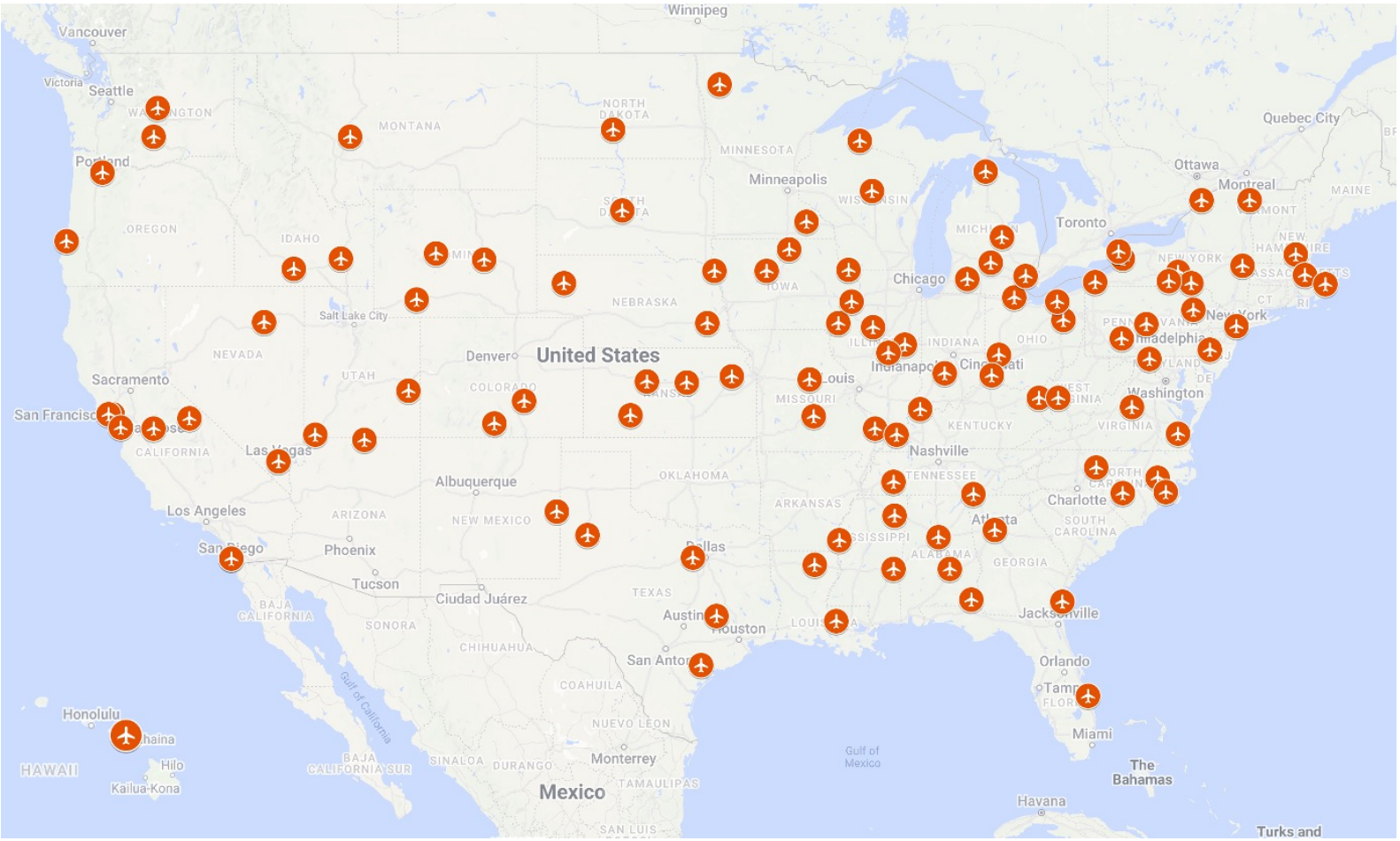
106 Communities Lost Over 25% of Their Departures (1Q19 vs 1Q22)



Source OAG Schedules, analysis excludes Alaska

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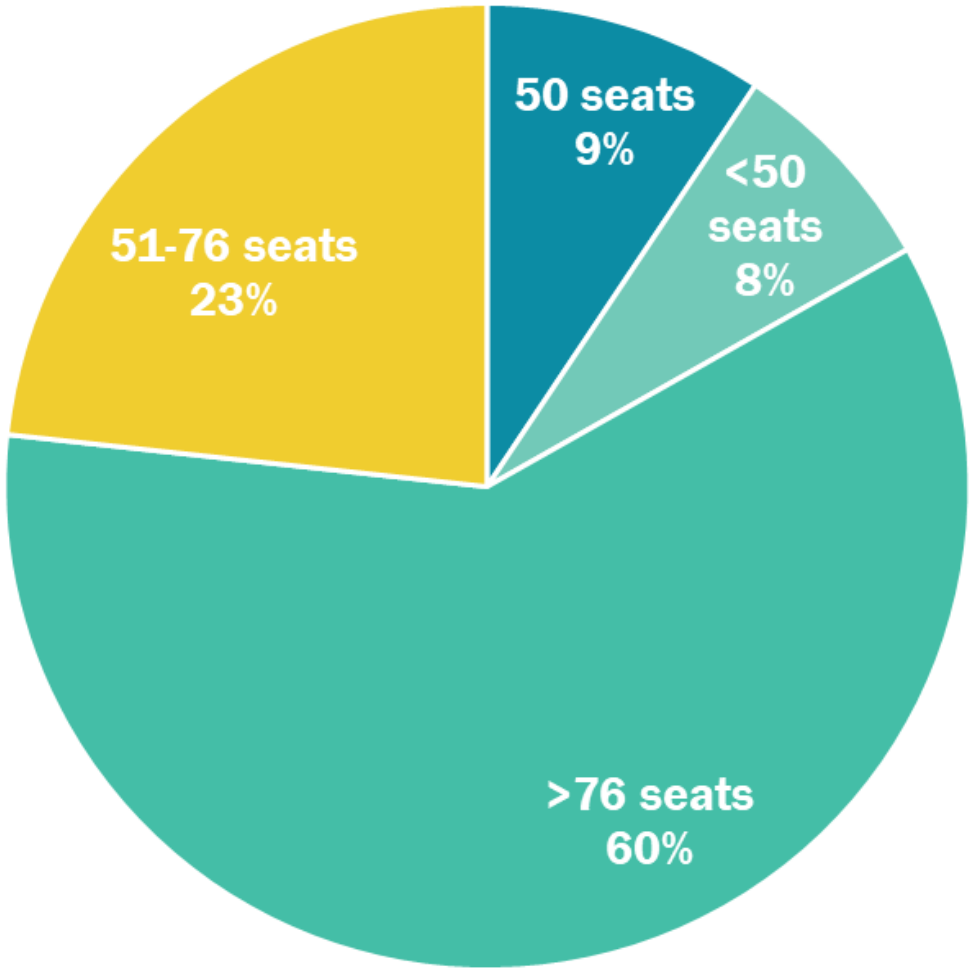
Small Aircraft, Big Network Presence

2021 U.S. Carrier Fleet
Percentage of Total Departures



Source: OAG Schedule Analyser

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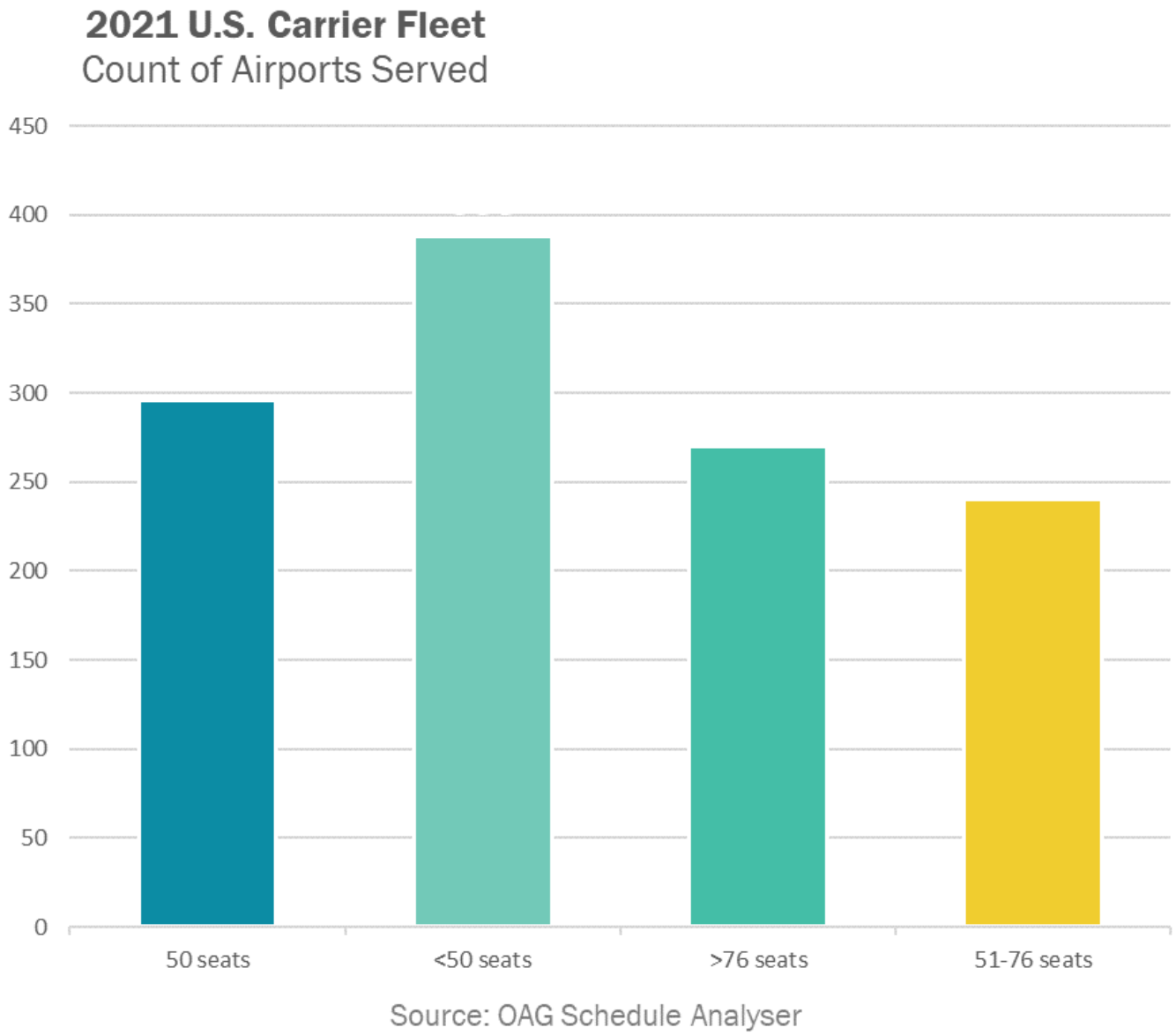
Small Aircraft Parked = Big Network Problem



"We don't have enough pilots to fly all the airplanes, so the 50-seaters are at the bottom of that pile, and markets that rely on 50-seaters are the ones that are going to lose service."

--UAL CEO Scott Kirby, Nov. 2021

- 56% of airports (371) were <u>only served</u> by aircraft with *50 seats or fewer* in 2021.
- 12% of airports were <u>only served</u> by 50 seat jets in 2021.

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Steps for a Strong, Long-Term Pilot Supply

- Aviation stakeholders (USG and industry) must continue to **invest in priorities** that keep the airline industry healthy and attractive.
- **In addition to attracting and supporting pilots, we must reduce substantial barriers of entry blocking career access and equity.**
- The cost of pilot training and education exceeds the limits on student loan dollars by about $80,000; making flight education unreachable for students without wealth or private financing. RAA backs the **Flight Education Access Act** to close this gap.
- Proficiency-based structured pilot training pathways produce pilots with the highest proficiency; but schools are full and qualified candidates often lack financial access. **More and better FAA-approved qualification pathways** hold the key to **improving career access** and **raising the bar** on training safety standards.
- It is no longer simply about bringing new pilots to the industry. Solutions to **improve training also create opportunity and career access** for candidates traditionally blocked from the career.
- Diversifying the pilot career begins with meaningful **equity and inclusion in the training pipeline**.

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Questions? Please contact media@raa.org.