Growing Pilot Shortage Threatens Small Community Air Service Collapse

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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.
Major airlines directly serve only 34% of the nation’s airports receiving scheduled passenger service.

Regional airlines serve 94% of the nation’s airports receiving scheduled passenger service.
Regional Airlines Provide Most of the Departures in 30 States

- Wyoming (68%)
- Wisconsin (67%)
- Nebraska (65%)
- Oregon (62%)
- South Carolina (61%)
- Michigan (60%)
- Indiana (59%)
- New Mexico (59%)

- Pennsylvania (58%)
- Virginia (57%)
- North Carolina (56%)
- Ohio (56%)
- Oklahoma (55%)
- Illinois (54%)
- Minnesota (51%)
Regional Airlines Provide Most of the Departures in 30 States

- Mississippi (94%)
- West Virginia (93%)
- Vermont (92%)
- Alaska (87%)
- Maine (87%)
- North Dakota (87%)
- South Dakota (86%)
- Arkansas (85%)
- Alabama (81%)
- Iowa (81%)
- Kansas (80%)
- Montana (79%)
- Kentucky (76%)
- Idaho (74%)
- New Hampshire (73%)
Headwinds for Regional Airports

- An existing pilot shortage, accelerated and amplified by pandemic forces, poses an existential 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. Smaller aircraft are being parked.
- When industry shock forces network carriers to retract air service, small communities are hit first and worst.
- Hub airports with significant regional connections will lose departures.
• 56% of airports (371) were only served by aircraft with 50 seats or fewer in 2021.

• 12% of airports were only served by 50 seat jets in 2021.

“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
Small Aircraft, Big Network Presence

2021 U.S. Carrier Fleet
Percentage of Total Departures

- >76 seats: 60%
- 51-76 seats: 23%
- <50 seats: 8%
- 50 seats: 9%

Source: OAG Schedule Analyser
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.
Data in the Chart Below was Sliced to Isolate an Upswing in certificate issuance from late 2021 to early 2022 that is **related to backfilling an obvious pause in certificate issuances during Covid** without acknowledging that context.
COVID Dramatically Slowed Issuance of New Certificates

2020 and 2021 show a steep decline in issuances associated with the acute COVID slowdown in training, which ticks back up in late 2021 into 2022 as backlog of Covid training slowdowns began to catch up and hiring resumed. An average of just 6,335 new ATP/RATP certificates per year have been issued since 2013.

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

2022 Uptick in the R-ATP is consistent with resumption of airline hiring.

Data Source: FAA’s Registry Services and Information Management Branch, AFB-730
Nearly 1 in 5 commercial pilots is held by a non-U.S. citizen. We cannot use commercial certificates as a gauge for future ATPs as the ATP is not required in foreign countries.

Breakdown of foreign nationality/non-U.S. citizenship for each certificate type

<table>
<thead>
<tr>
<th>Certificate Type</th>
<th>U.S.</th>
<th>Non-U.S.</th>
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<tbody>
<tr>
<td>Airline Transport Pilot</td>
<td>6.9%</td>
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<tr>
<td>Commercial</td>
<td>18.7%</td>
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<tr>
<td>Private</td>
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<tr>
<td>Student</td>
<td>11.9%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>10.9%</td>
<td></td>
</tr>
</tbody>
</table>
How many pilots are TRULY available?

Of 171,380 ATP certificates, 11,733 are foreign nationality/non-U.S. citizenship (7% of ATPs)
What’s Inside the FAA’s Certificated Airmen Database?

- Of remaining ATP-MEL pilots, just 107,469 ATP AMEL pilots hold current 1st class medicals (required for hire)

- 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
How many pilots are **TRULY** available?

- 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
With Fewer New Pilots than Needed to serve routes already, Nearly half of today’s qualified Pilots are Approaching Mandatory Retirement

• 45.9% of all ATP AMEL airmen with valid 1st class medicals will reach mandatory retirement age within 15 years (49,541 airmen).
• 13.2% will reach mandatory retirement age within 5 years (14,270 airmen).
• Retirements are not the only attrition, and replacing retirements is not the only objective given growing passenger demand.

Data Source: FAA’s Registry Services and Information Management Branch, AFB-730
Fact Check on ALPA Rhetoric:

- Flight time (aeronautical experience) is not training time, as ALPA knows.
- ALPA once supported the very structured training pathways they now say “weaken safety.”
- FAA found low value in the flight time element of the rule and high value in the structured training element of the rule. RAA and its members do not wish to change the rule and are focused on expanding training pathways allowed by the law.
- ALPA attempts to distract from pilot shortage with allegations on PSP, which the union itself called “worker first.” Airlines used PSP as Congress and U.S. Treasury Dept. intended. GAO has issued 10 reports, each showing high program compliance.
- ALPA opens and closes with a focus on its collective bargaining objectives, which is telling.
- See RAA’s full response, with sourcing here.
Pilot Workforce Shrinking Despite Pay Increases

[Graph showing employment estimate vs. mean annual wage for Airline Pilots, Copilots, and Flight Engineers from 2019 to 2021. The graph illustrates a decrease in employment estimate from $174,870 in May-19 to $186,870 in May-20 to $198,190 in May-21, while the mean annual wage increases from $165,000 to $195,000 during the same period.]

https://www.bls.gov/oes/current/oes532011.htm#top
Pilot Demand at Majors Alone Already Outpacing Supply

Future & Active Pilot Advisors Pilot Hiring Trends
www.fapa.aero

2022 Forecast = 13,000+ Hires
More than DOUBLE any year since 2000

35,000 pilots hired over last 12 years
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.

• 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.

Total RAA member operated aircraft: 1,777
Dramatic Air Service Loss 1Q2019 vs. 1Q2022

303 (70%) airports experienced loss (loss of all service or reduced departures)

Communities losing service lost an average of 23.4% of their air service.

8 Airports lost all air service.

Source: OAG Schedules 1Q2019 vs. 1Q2022 (Analysis excludes Alaska)
188 Communities Lost up to 25% of Their Departures (1Q19 vs 1Q22)

Source: OAG Schedules 1Q2019 vs. 1Q2022 (Analysis excludes Alaska)
106 Communities Lost Over 25% of Their Departures (1Q19 vs 1Q22)

Source: OAG Schedules 1Q2019 vs. 1Q2022 (Analysis excludes Alaska)
Steps for a Strong, Long-Term Pilot Supply

• In addition to investing in measures to attract and support pilots, **we must reduce substantial barriers of entry** blocking career access and equity.

• We must ensure students can finance flight training higher education: 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.

• We must create more and better FAA-approved structured training pathways. 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.

• **We must ensure that all solutions continue to put safety first:** The Airline Safety Act specifically directed the FAA to allow academic training courses to be credited toward the total flight hours where it determines the courses will enhance safety. The intent of this provision is to incentivize airlines and flight training programs to continually improve and modernize academic training for pilots.

• We must give short term solutions, such as letting experienced pilots fly until 68 and streamlining visas approvals for experienced foreign pilots, due consideration. These will provide short-term relief while holistic solutions take hold.

• 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.
Regional Airline Association

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