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Pilot Supply at the Regional Airlines: Airline Response to the Changing Environment and the Impact on Pilot Hiring

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The U.S. will face a staggering shortage of pilots

July 6, 2017

Pilot Training, Supply Dispute Spills Into Senate Authorization Bill

Pilot Shortage Affects Air Force Readiness

Pilots union says problem is low wages

Training rule blamed for pilot shortage

[Boeing & Aerospace](#) | [Business](#)

Horizon Air cutting hundreds of flights this summer due to pilot shortage

Originally published June 29, 2017 at 7:14 pm | Updated June 29, 2017 at 8:02 pm



BUSINESS

Pilot Shortage Prompts Regional Airlines to Boost Starting Wages

Wave of retirements at major carriers, lengthier training are factors squeezing the industry

U.S. Carriers Face Shrinking Pool Of Pilots

Regionals and mainline airlines face a pilot supply threat

John Croft | *Aviation Week & Space Technology*

Feb 3, 2015

Chinese Airlines Wave Wads of Cash to Lure Foreign Pilots

By Angus Whitley

August 17, 2016, 5:00 PM CDT Updated on August 17, 2016, 8:23 PM CDT

The U.S. Pilot Shortage Continues to Rear Its Ugly Head

High Asian Airline Growth Fuels Cockpit Shortages

Left-seat pilots are increasingly hard to find

John Croft | *Aviation Week & Space Technology*

Apr 22, 2016

Plenty of Passengers, but Where Are the Pilots?

By KATE MURPHY APRIL 16, 2016



Pilot shortage

- RAA
 - 2012: “looming pilot shortage”
 - 2014: “tipping point” “game changing year”
 - 2015: “definitely in the middle of a pilot shortage”
“drastic and quicker than we thought”



– ALPA: pilot pay issue

Latest Salary Survey Shows Rock-Bottom Pay among Regional Airlines.

10 Lowest-Paying Airlines Estimated First-Year Salary as of July 20, 2014

Great Lakes	\$14,616
Silver Airways	\$18,693
SkyWest Airlines	\$20,064
Mesa Airlines	\$20,183
GoJet Airlines	\$20,504
Republic/Shuttle/Chautauqua	\$20,655
ExpressJet Airlines	\$20,745
Atlantic Southeast Airlines	\$20,907
Trans States Airlines	\$21,531
PSA Airlines	\$21,600

- 2016, 126,070 ATPs (ages 20 – 59)
(Administration, 2017)
- Estimated 85,000 airline pilots (Association 2016)
- July 15, 2013 – September 15, 2016 a total of 28,133 ATPs issued (Scovel, 2017)
- Estimated 18,000 regional pilots (Association, 2016)
- RAA argues 26% of ATPs are ineligible for hire for reasons that include age, ability, criminal background, failures (Association, 2016)

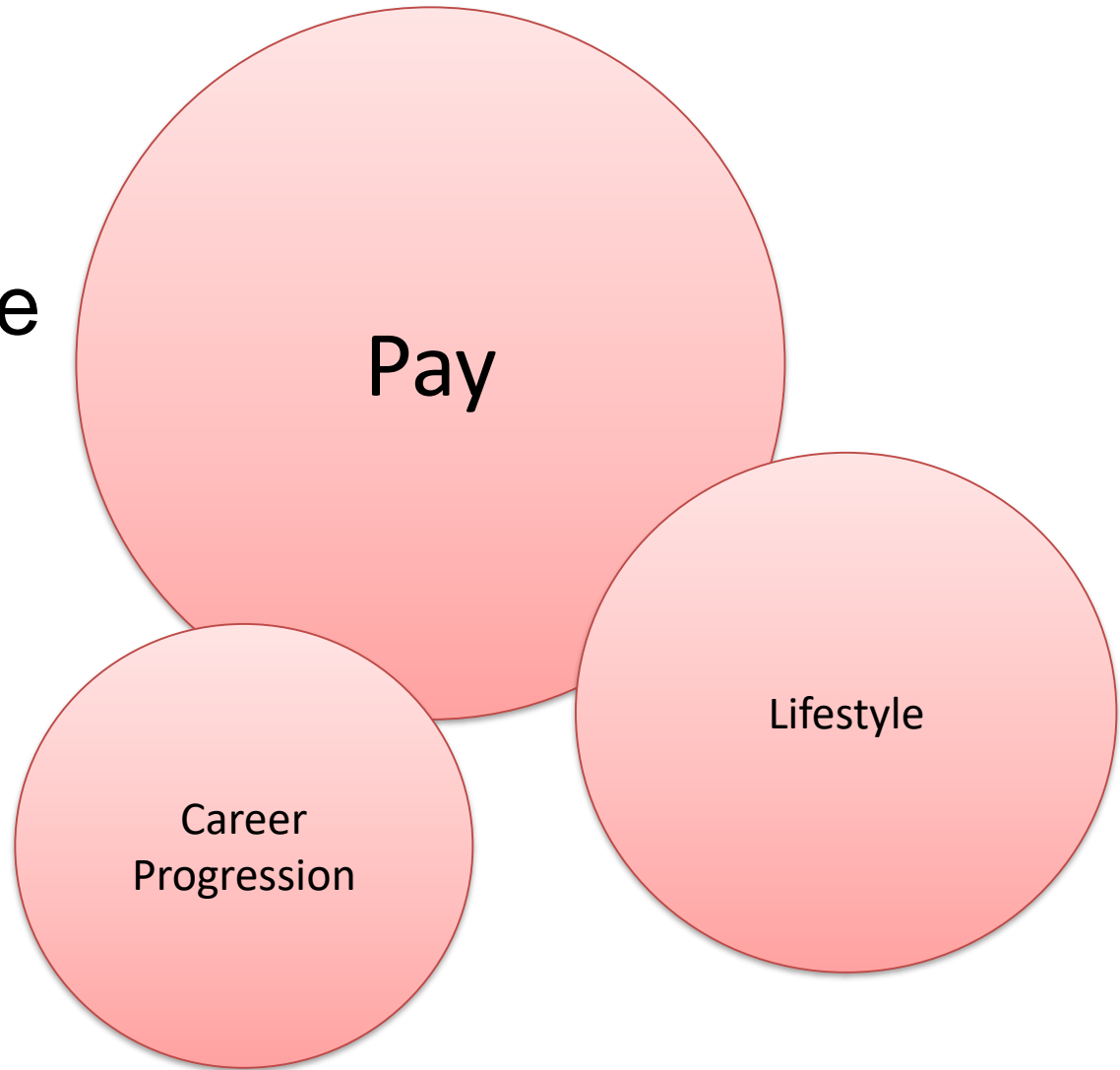


- Research shows:
 - Career aspirations of becoming an airline pilot are diminishing (Bjerke & Malott, 2011; Lutte & Lovelace, 2016)
 - Byrnes (2015):
 - only about a third of qualified pilots pursue a career as an airline pilot, with insufficient pay as the primary deterrent, followed by concerns over lifestyle
 - “a starting salary of the \$40,000 to \$45,000 range would virtually double the current regional pilot workforce”



Pilots in the pipeline: Looking for the big 3

(Lutte & Lovelace, 2016)





Where are we now?

- Purpose - to explore what actions the regional airlines have adopted to address these concerns and to identify the impact of those actions on the airlines' ability to meet hiring demands.
- What is the current status of pilot hiring at US regional airlines?
- How has the increase in entry-level pay at regional airlines impacted the airlines' ability to meet hiring demands?



Methodology

- Go to source: interviews targeting 10 largest regional carriers
 - Represent 90% of enplanements
 - Pilot recruiting personnel
 - Response rate: 80%
 - Recorded, transcribed interviews
 - Closed, fixed response questions & open ended questions



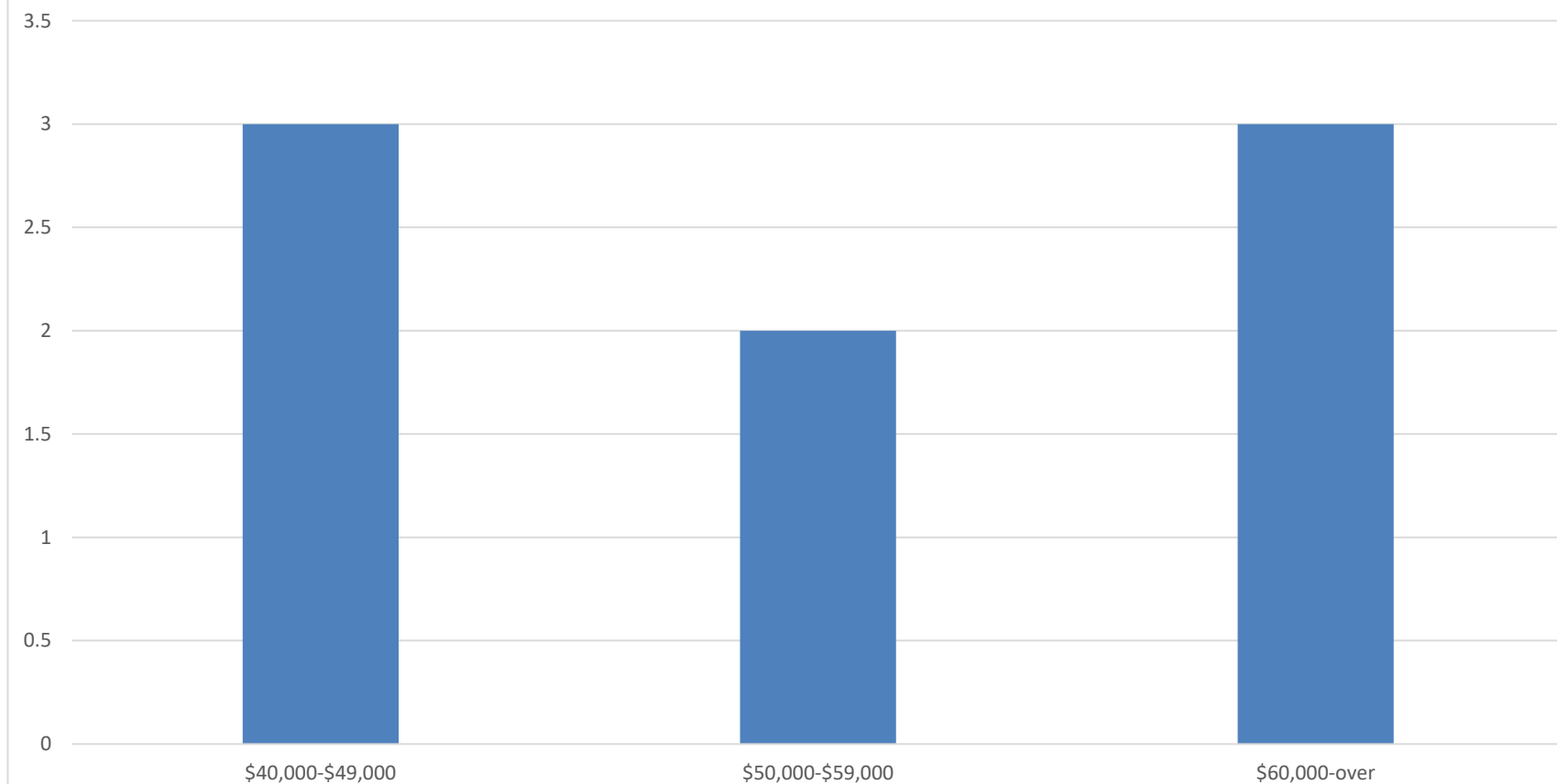
Results

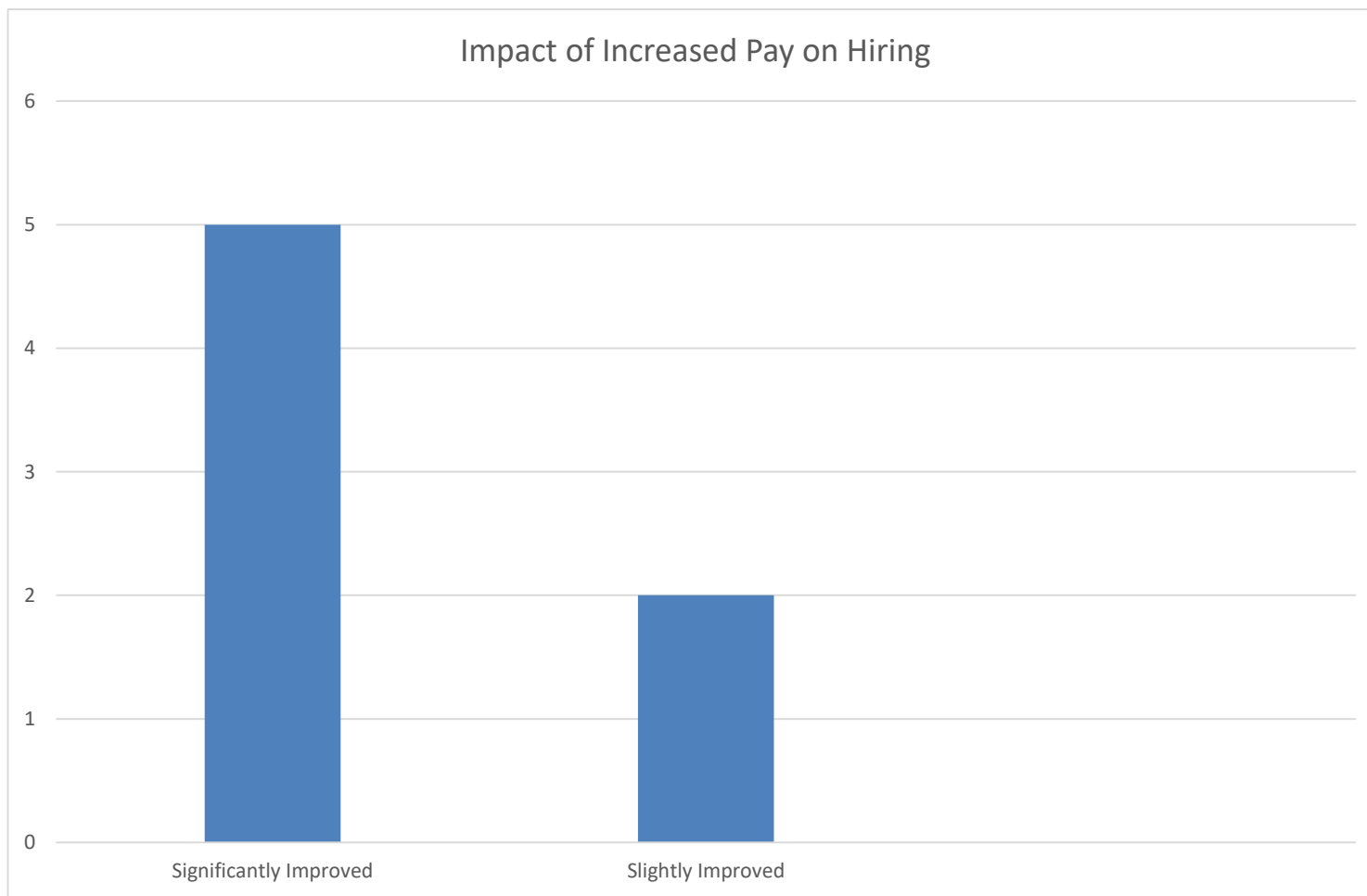
Regional airline pilot pay has increased at large regional carriers and that increased pay has positively impacted hiring.

- Average first year pay **\$51,400**
- The majority (not all) of the airlines reported that they are currently meeting hiring needs.



First Year Pay at Regional Airlines







*Regional airlines are generally meeting hiring needs but there is concern for sustainability of these hiring levels for the long term.
Competition for pilots is fierce.*

- Regional carriers are still reporting that battling the pilot supply challenge remains a moderate to significant challenge.



- Primary concern is the available pool of qualified pilots.
- Competition for pilots is fierce and everyone is fighting for the same pool of applicants.
 - Very active in recruiting
 - Applicants should do their due diligence and explore their options, get informed and make the best decisions about where to go



- “The biggest challenge literally is that there are no airline transport rated pilots sitting around who don’t already have work.”
- “The pilot really has their choice. We might offer it to someone and they will say they’ll think about it. They’ve got one, two, three, four more interviews lined up.”
- “I think the hardest part is that unfortunately there just aren’t enough of the ones we want to see.....we’re all competing for the same pool, and we all have very high standards and we’re not just hiring everybody”.



Factors in addition to pay, play an important role in attracting pilots

- Interesting to note - importance of location of bases.
- Other areas include flexible commuter policy, company culture, type of aircraft flown, and having a pathway to the major airlines.



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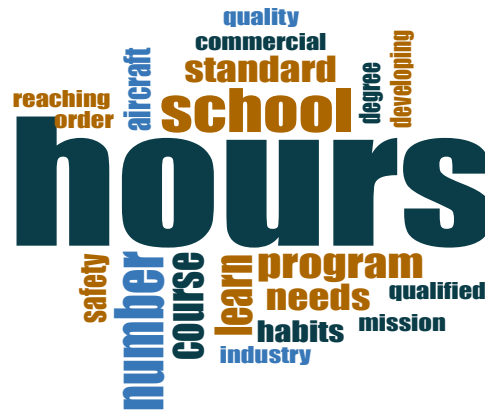
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What would you fix or change in the industry to enhance your airline's ability to attract pilots?





Changes to the FOQ rule to become first officer qualified are highly desired by regional carriers.

- Suggestions included options such as rolling back & additional pathways to R-ATP
- Increased training time and costs
 - “bad habits”
 - “We are seeing that once people reach the required hours, there are habits that are harder to break for them. We’ve actually seen this impact people going through our training program. And that we’ve seen people be less successful since the hourly requirement has been put into place”



More needs to be done to attract young people to pursue professional flight as a career.

- “I think the biggest challenge is trying to generate interest in the younger generation to get into the business”



Conclusions

- Regional carriers have responded to the market.
- Result has been a positive impact on ability to hire.
- Concern over the long term sustainability due to pool of qualified & available ATPs.
- Need to enhance outreach.



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