ACRP Problem Statement: 16-03-13 Recommended Allocation: $350,000

Is There an Adequate Pipeline of Pilots to Meet the Increasing Needs of Airports and the Communities They Serve?

ACRP Staff Comments

The proposed research would deal with some of the issues raised in 16-03-11. It should reference and build on ACRP Project 06-04, Identifying and Evaluating Airport Workforce Requirements which is currently underway. The budget should be on the order of $350,000.

TRB Aviation Committee Comments

AVIATION SYSTEM PLANNING (AV020): Not supported. One suggestion is that it might be improved with a reduced scope to research the economic impact of pilot shortages. In general, however, it was felt that this issue was one to be addressed by the airline and operator industry rather than the ACRP.

AVIATION ECONOMICS AND FORECASTING (AV040): Strong support. Timely topic of great interest to airlines and airports -- esp. those serving smaller communities. A TRB/ACRP study - away from direct association with airlines and labor - would contribute to the literature and help inform stakeholders and decision-makers. The problem statement did not include a literature review, nor any type of search for other projects, which should be done since different industry participants have collected/published data.

Review Panel Comments

Recommended. Associations talk about this. There are many side issues. Include GA pilots as part of the pipeline. Regulatory issues, expense, salary, and training issues are some but not all of the issues. Shortage of pilots will result in the decline in service to smaller airports, and that is an important reason why ACRP might want to fund this proposed research.

ACRP *Problem Number* **16-03-13**

Problem Title:

Is there an adequate pipeline of pilots to meet the increasing needs of airports and the communities they serve?

Research Problem Statement

Commercial airline service plays a critical role is the national economy. Frequent, convenient and affordable access to air transportation allows residents and communities to connect to the economic opportunities in new markets, leisure destinations, friends and family throughout the country as well as giving us global access throughout the world. Regional airlines struggle to hire and retain adequate numbers of pilots. This problem has been compounded in the near term by pilot retirements and increased qualification requirements.

Without pilots to fly commercial aircraft our commercial aviation system will be crippled. Communities stand to lose economic vitality due to the inability to transportation passengers and cargo. In many cases, mostly small communities will become "unplugged" from the global air travel network. According to Flightpath Economics, 53 airports in the Upper Midwest are at risk of losing some or all of their service if nothing is done. Today 70 percent of airports are dependent on regional carriers for access to the national air transportation system. (Local Airline Service Action Committee meeting, MN, July 22, 2014). The economic impact on small communities from lost air service will be devastating; collectively the impact will be in the range of $50 to $100 billion of lost economic activity. (Flightpath Economics)

Industry growth was derived from forecasts of new aircraft from the Airline Monitor and estimates of the average number of pilots needed per aircraft. Expected retirements came from industry data, and the study used an estimate of an attrition rate for reasons other than retirement of 1.5 percent. The study estimates that the industry would need to hire over 95,000 new pilots over the next 20 years, with about 45,000 being needed in the next 10 years, for an annual average of about 4,500 over the next decade. (GAO Aviation Workforce: Current and Future Availability of Airline Pilots, GAO-14-232 (Washington, D.C.: February 2014)

Objective

This project should evaluate the variables that may have a direct impact on the future labor supply of commercial pilots. Research and data needs to be collected through proven methodologies to measure and forecast the following:

1. The impact of federal regulatory requirements on commercial pilot programs;
2. The retirement rates of commercial pilots;
3. Potential compounding impact of the retirement of the 50-seat regional jet;
4. The economic impact to the national transportation system and how it may adversely affect local communities; and
5. The required number of professional pilots to adequately staff our commercial airline system.

The research will forecast if the industry will be faced with a pilot shortage in the future. The research will not determine a solution for the industry. Rather the research will determine if a pilot shortage will exist, if so to what extent and what impact it may be to the commercial airline industry.

This research is needed to allow both industry and community leaders to better understand the ramification that a pilot shortage may have on their communities. In addition, it will allow industry leaders to make appropriate policy decisions. This research will provide an understanding of the issue and may lead to further research to lessen the impact to both the air transportation industry and the communities that the airlines serve.

Submitted by Melissa Sabatine, AAAE, on behalf of the AAAE Airline Economics and Air Service Committee