



UP FRONT

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IF U.S. LEGISLATORS CONTINUE to ignore the commercial pilot shortage and do not support common sense solutions to fill an empty pipeline, they will have no one to blame but themselves for the consequences. Inaction will disenfranchise constituents from the air transportation grid, dampen the sector's competitive intensity and undermine an industry that has long been an economic generator.

Our industry's labor shortfall has big implications for both consumers and competition. Yesterday's news was that consumers in small communities would lose airline services. Tomorrow's news is that the pilot shortage will undermine the ability of low-cost (LCC) and ultra-low-cost (ULCC) carriers to grow. Low fares may never arrive in many communities if there are no pilots. At stake is how the post-pandemic air transport industry will evolve, restore its competitive vigor and maximize choices for passengers.

Failure to act helps organized labor protect the significant wage and benefit gains won before the pandemic. Dampened competition will do that. As the only stakeholder not accepting that there is a shortage, pilot labor is unabashedly leveraging a very real pilot demand/supply imbalance for its benefit.

In the 2000s, lower costs enabled LCCs/ULCCs to grow and grab market share from incumbents. But competition for labor could swing that advantage back to first-mover airlines that can offer the best contract terms to retain pilots and attract newly trained aviators to backfill retirements and support their growth. LCCs/ULCCs will have a more difficult task convincing a new pilot that they offer a better career path than a network carrier or a cargo operator.

Organized labor knows this. Here is what the Air Line Pilots Association, International (ALPA) recently posted on LinkedIn: "Pilots are leaving a job at Spirit [Airlines] for a career at Delta [Air Lines], United [Airlines] and American [Airlines]. Already this year, Spirit has lost more pilots than in any other full year on record to carriers where the pay, work rules, benefits and respect are superior." Is ALPA suggesting that piloting is just a job at one carrier it represents but a career at another?

It is no surprise that ALPA is touting the virtues of contracts with better provisions. As an institution, the union's dues are based on pay rates at the carriers they

represent. The pilot salaries ALPA has negotiated at Spirit and three other ULCCs, as well as the eight regional carriers they represent, are less than those at the Big Three U.S. airlines.

Unions repeatedly point to poor airline management decisions, like those that accelerated too many retirements and other voluntary leaves when the COVID-19 crisis hit and its ultimate impact was unknown. On May 6, ALPA President Joe DePete wrote the heads of Airlines for America, the Regional Airline Association (RAA) and the National Air Carrier Association

"to urge you to stop the spread of misinformation about the availability of airline pilots and assist your members in properly managing the multi-billion-dollar federal aid package that American taxpayers provided the airlines."

This comes from the same union that is required to negotiate moves by airlines to slim down their workforces at any time. In the same letter, ALPA said it is prepared to collaborate with anyone who comes to the table in good faith to help our industry navigate this challenging period. But

heaven help any stakeholder that might suggest that a demand/supply imbalance exists or has the audacity to propose new ways of pilot training.

Common sense solutions for Congress to consider have been offered. A decade ago, pilot labor said increased wages and benefits would alleviate the shortage. They have not. Obtaining a commercial pilot's license is much too expensive for most prospective aviators, particularly minorities and the disadvantaged.

Congress could make student loans or grants applicable to flight training academies. Mesa Airlines CEO Jonathan Ornstein suggests that hours spent in simulator training are 10 times more valuable than what is accepted as training hours today. Republic Airways and the RAA have put forth more advanced alternatives as well. ALPA and others maintain that these would dilute the FAA rule requiring pilots to have at least 1,500 flight hours before they can fly a commercial airliner.

Does pilot labor really believe its stand for safety exceeds that of an industry that sells safety every day?

In the name of safety, keep pulling those banners up and down the beach. ☹

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Wake Up, Washington

Pilot shortage could skew airline competition



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