

# Regional Airline Outlook

Presented to the  
**Wisconsin Aviation  
Conference**

October 4, 2022

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**RAA**  
Regional Airline Association

# 66%

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

# 43%

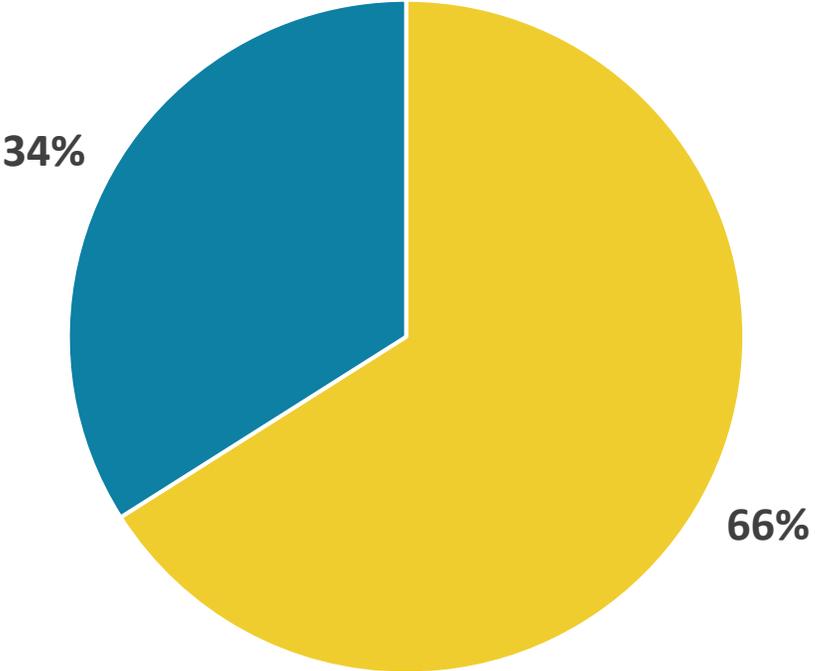
of scheduled passenger departures were operated by U.S. regional airlines.

# Most U.S. Airports Served only by Regional Airlines

**Regional Airlines Provide Most of the Service in the following 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%)
- 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%)

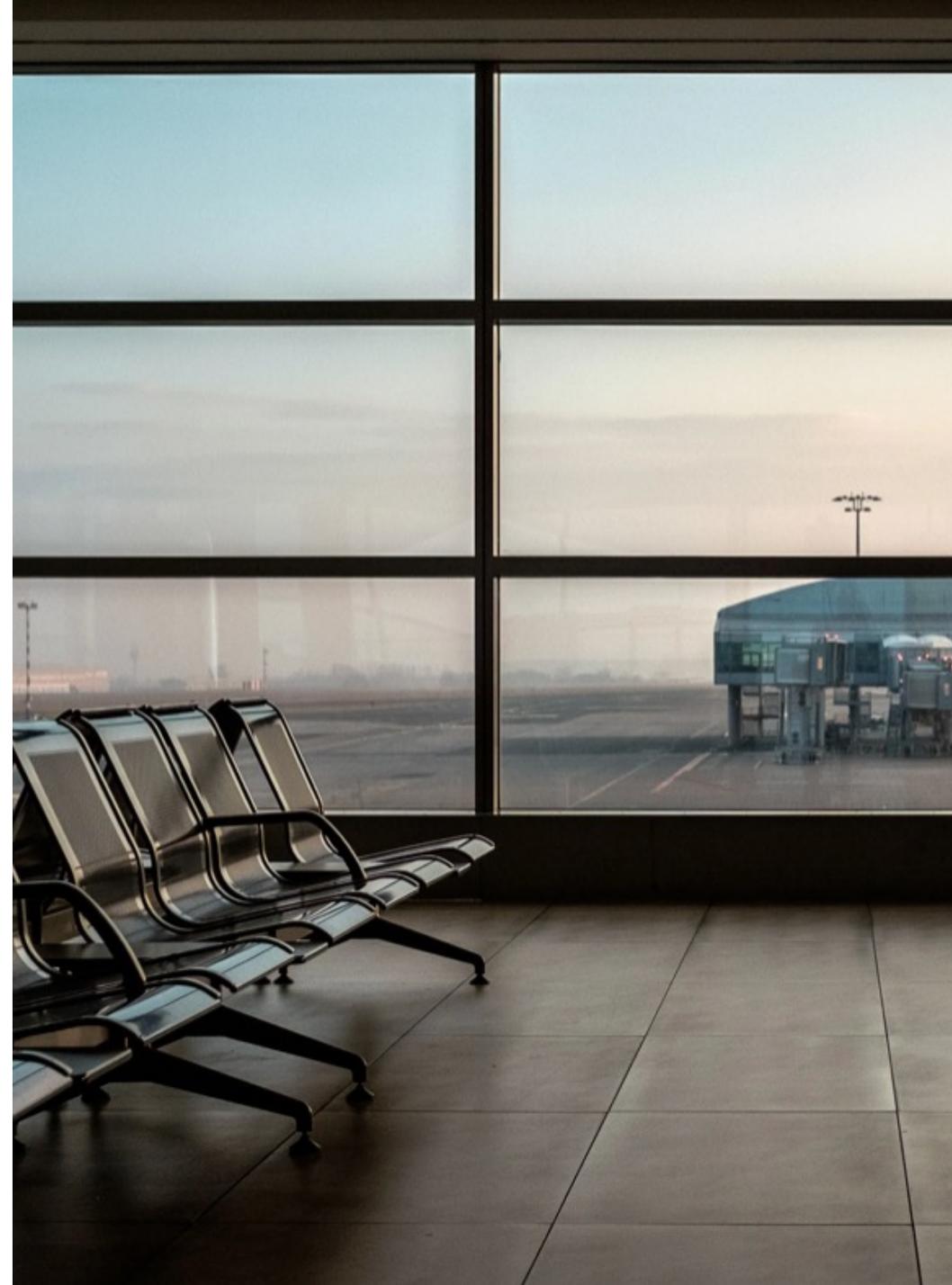
National Percentage of Scheduled, Commercial Air Service



■ ONLY Regional Airline Service    ■ Other Airline Service

# Executive Summary: The Problem

- **An existing pilot shortage, accelerated and amplified by pandemic forces, poses an existential threat to small community air service.**
- More than 6,000 senior pilots accepted union-brokered early exit packages from major airlines during COVID-19's shutdown.
- Major airlines have been drawing replacements from regional airline ranks, where a shortage was present before the pandemic.
- Regional airlines are turning to a pipeline that holds far fewer candidates than needed to replace this drawdown.
- With too few pilots to fly all of today's routes, communities are losing service – with smaller communities hit hardest.
- **Decisions now turn solely on highest, best use.** Marginal markets are exposed to higher risk with faster consequences. Smaller aircraft have been parked.
- The pilot shortage is shape-shifting. Captain shortages are causing unique challenges and could eventually slow FO hiring, despite shortage.
- US regional carriers must fight to attract talent given the variety of competition; increased labor costs exert even more pressure on lower density markets, worsening the cycle of air service loss.



# Is the Pilot Shortage Real?

Examining and debunking the common myths media, airports, lawmakers and other stakeholders have been exposed to, with complete, unvarnished data.

# ALPA Messaging



A message from Air Line Pilots Association, Int'l:

**Question: Is there really a pilot shortage? Short answer: No.**

Some airlines who moved experienced pilots out during the pandemic are now struggling to meet higher travel demand. Their solution: cut safety training to speed less experienced pilots into service. That's not a pilot shortage. It's bad planning. The truth is we have 1.5 pilots for every one we need. Learn why we can't afford to cut safety standards just to bail out airlines.



Thread



**Air Line Pilots Associati...** ✓  
@ALPAPilots

We're taking this message directly to them: "We will give no ground in this fight."

[#ALPAASF](#)



So when you read news media headlines and see "pilot shortage," here's what airlines really mean:

- They mismanaged taxpayer federal aid.
- They want to weaken pilot training requirements and reduce safety.
- They want to pay pilots less and make flying less safe.

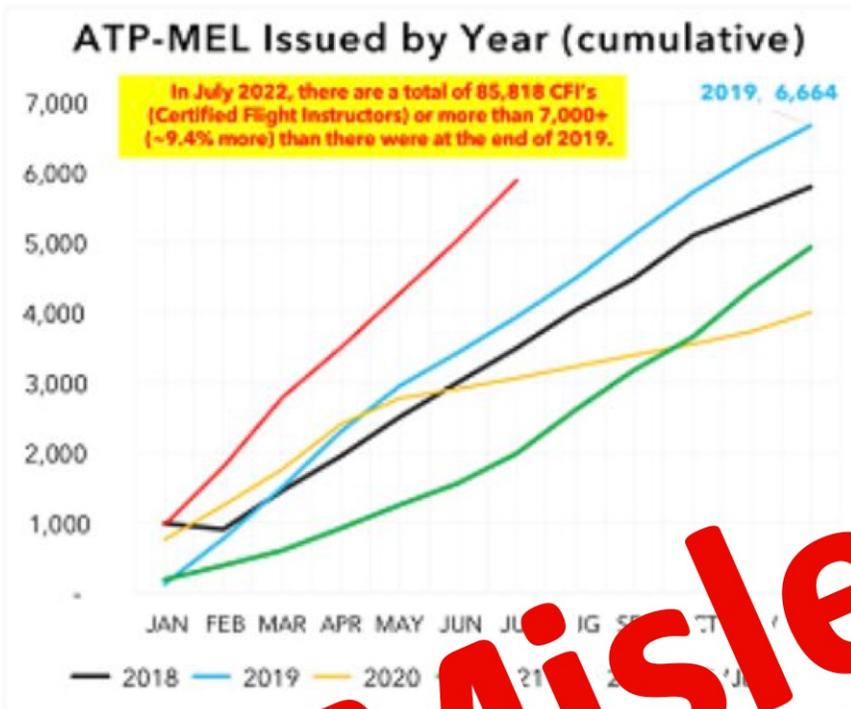
For more information, visit [alpa.org/pilotsupply](https://alpa.org/pilotsupply).

# “More pilots in 2022 vs. before the pandemic”



**FACT: 8,823 NEW ATP-MELs ISSUED IN THE LAST 12 MONTHS**

1,500+ more than same period pre-COVID (7,299) and 2,100+ more than all 2019 (6,664)



**Misleading!**

Updated August 2022  
Source: FAA

#MoreThanReady



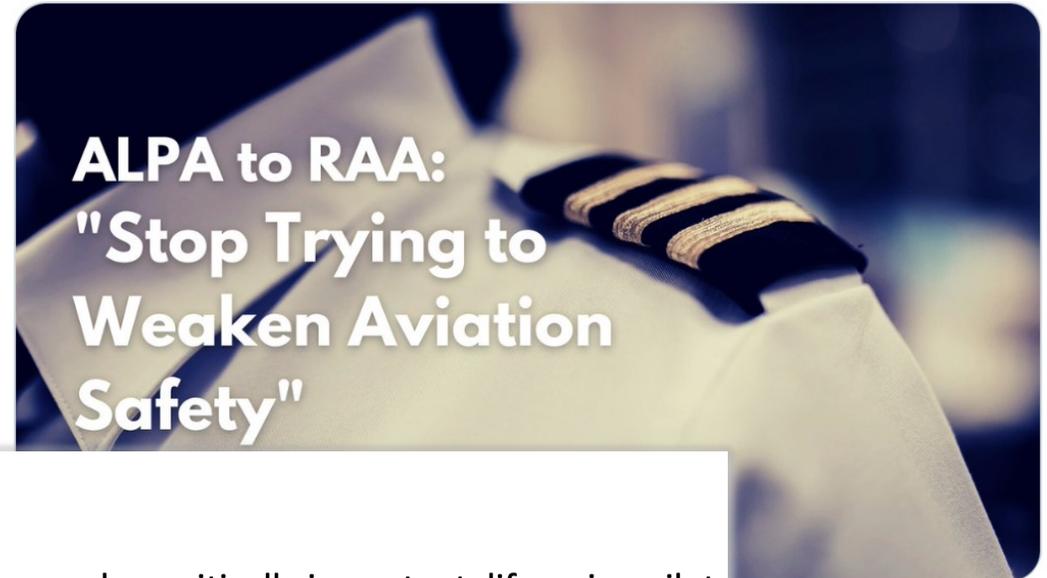
# Labor Scarcity as Bargaining Leverage



**Air Line Pilots Association** @ALPAPilots · Jun 15  
@ALPAPresident Capt. Joe DePete sent a letter to @RAATweets urging an end to their lobbying efforts to weaken #aviation safety rules for #pilot training & experience. Read the letter: [bit.ly/3zCtPiH](https://bit.ly/3zCtPiH) (1/2)



**Air Line Pilots Association** @ALPAPilots · Jun 15  
Replying to @ALPAPilots  
Recent deals that we negotiated with @EnvoyAirCareers & @PiedmontAir are “a great starting point” to address pilot pipeline challenges that @RAATweets says their members face, wrote @ALPAPresident in his letter to RAA. [bit.ly/3zCtPiH](https://bit.ly/3zCtPiH) (2/2)



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Dear Faye,

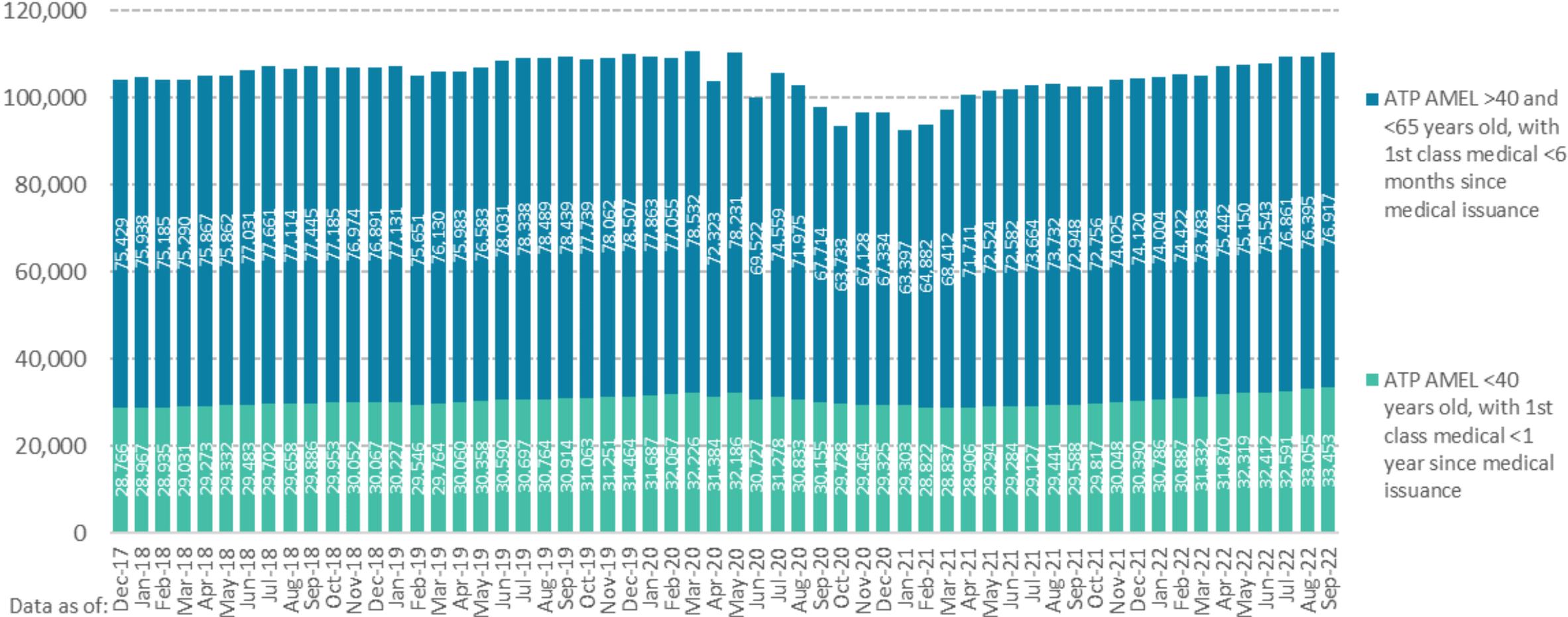
I am writing to urge you to turn your attention away from lobbying to weaken critically important, lifesaving pilot training and experience rules and, instead, focus on helping your member airlines attract and retain the best and brightest aviators. The recent deals ALPA helped negotiate with two of your members—Envoy and Piedmont—offer a great starting point to seriously address the pilot supply challenges you say your members face.

# Yes, the Pilot Shortage is Real.

With supporting data.

# Fewer Qualified Pilots today vs. Peak (March 2020)

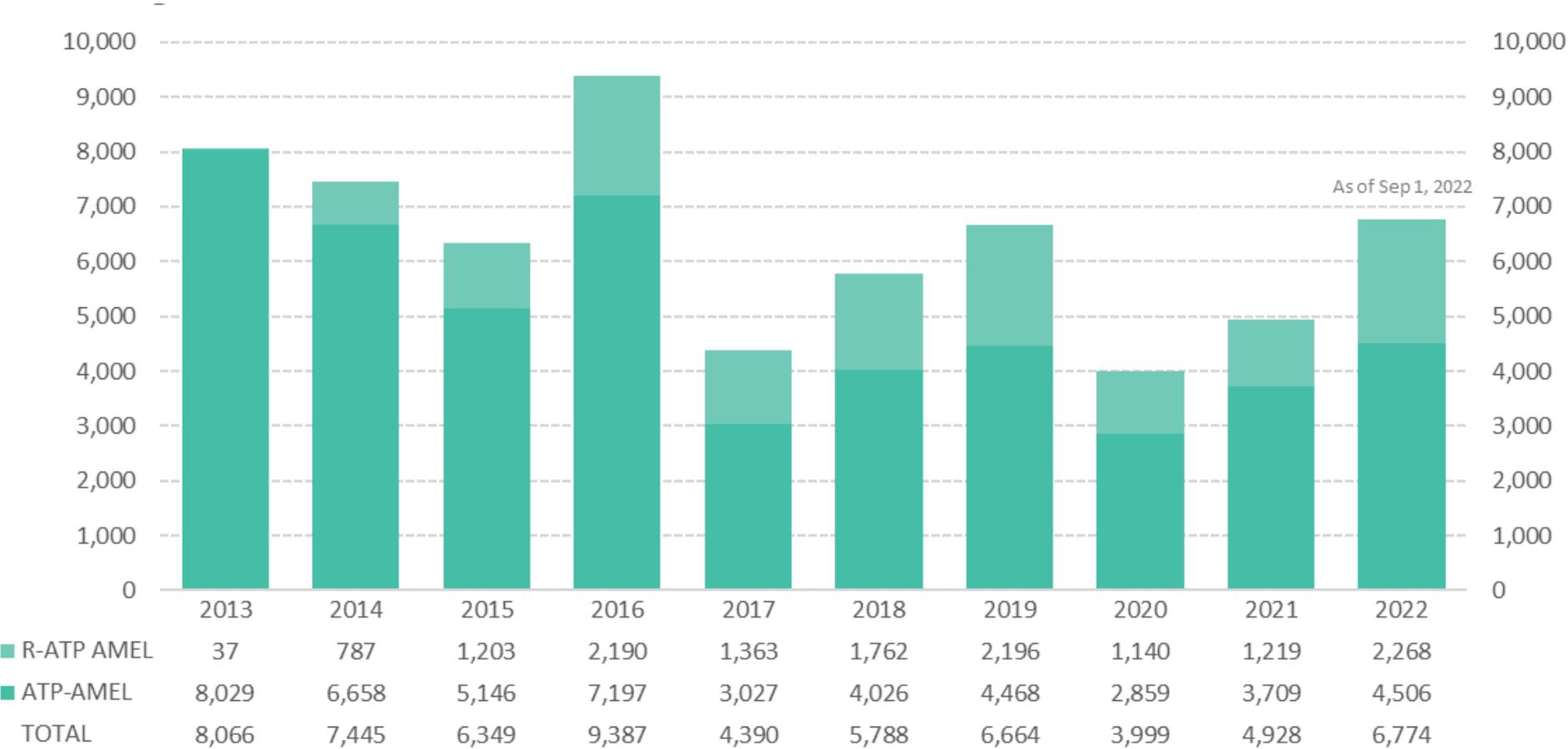
The peak (max) number of ATP AMEL pilots with valid 1<sup>st</sup> class medicals occurred in March 2020 (110,758). Compared with March 2020, there are now 0.4% fewer ATP AMEL pilots with valid 1<sup>st</sup> class medicals (-338 airmen)



Source: data files distributed monthly by Registry Services and Information Management Branch, AFB-730, Federal Aviation Administration

# Original Issuance ATP AMEL and R-ATP AMEL

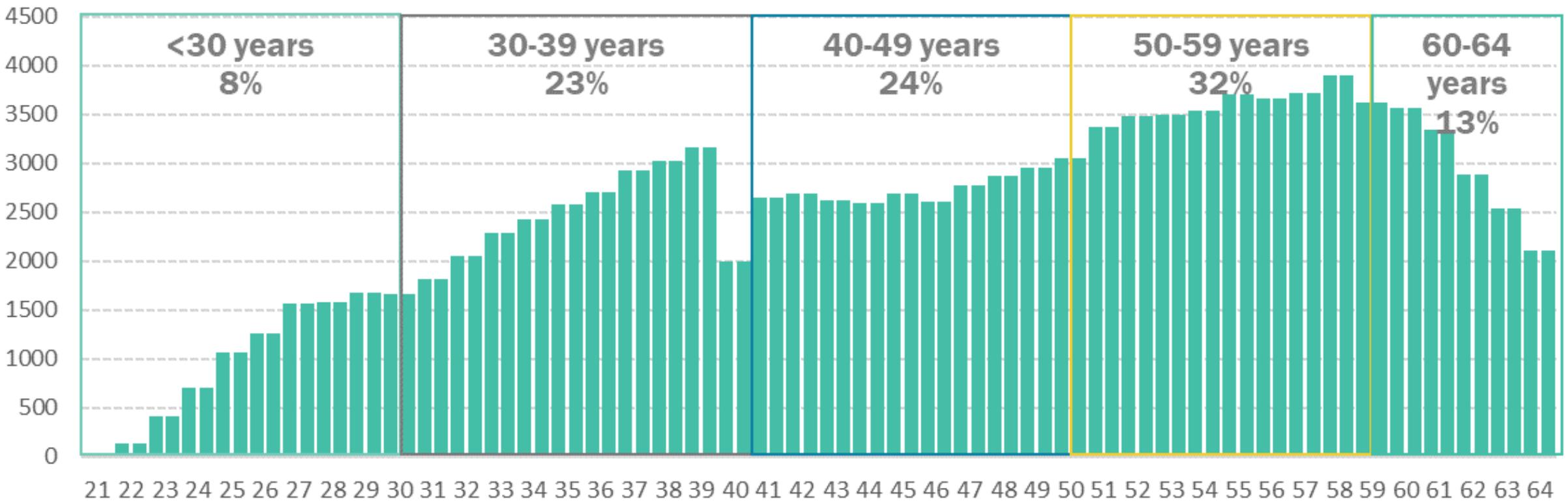
- Average of 6,335 ATP/RATP certifications per year since 2013.
- 2020 acute drop in issuances during acute COVID training persists through first half 2021.
- if YTD monthly average rate holds, 2022 will produce 10,029 new ATP AMEL airmen (+104% vs. 2021).
- Most of this uptick is **consistent with catch-up in paused training and certifications paused in 2020 and 2021.**



Source: data files distributed monthly by Registry Services and Information Management Branch, AFB-730, Federal Aviation Administration

# ATP AMEL Pilots with Valid 1<sup>st</sup> Class Medicals by Age

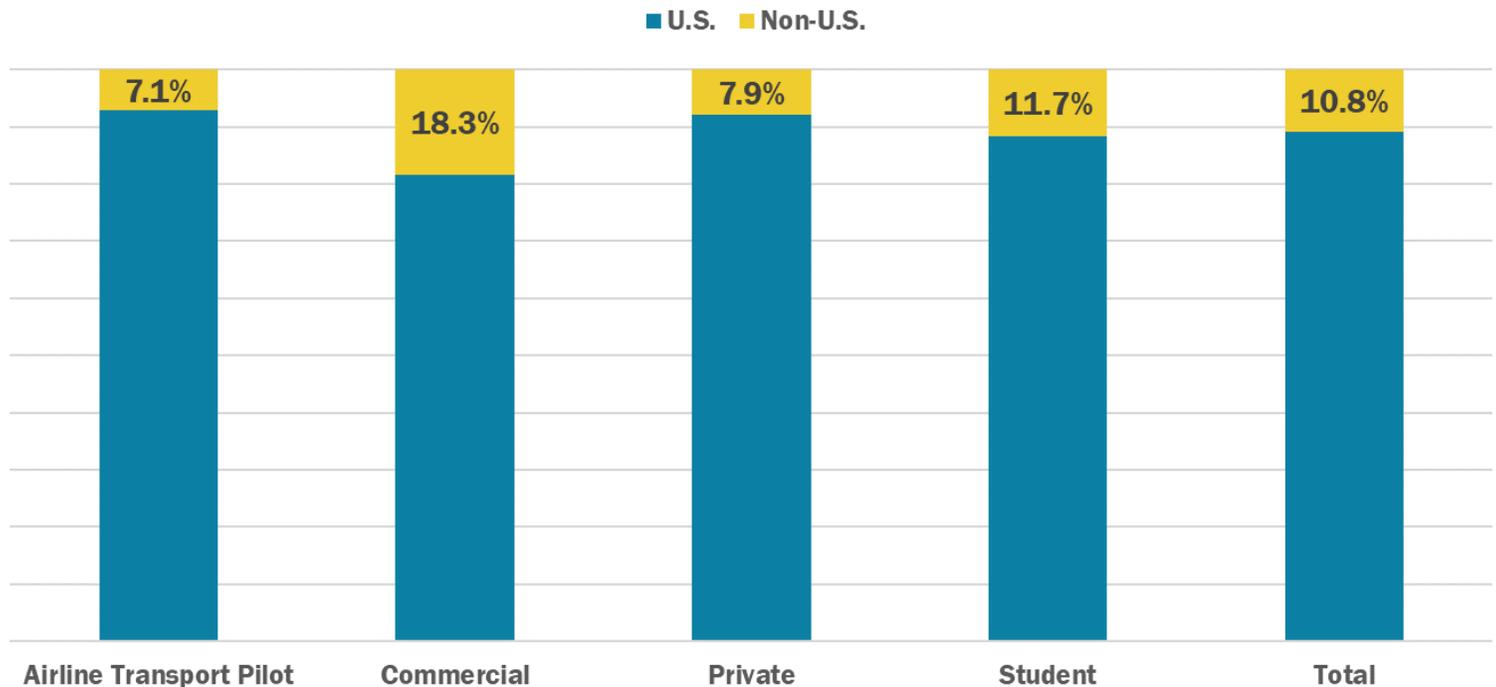
45.6% of all ATP AMEL pilots w/ valid 1<sup>st</sup> class medicals will reach mandatory retirement age within 15 years (50,289).  
13.3% of all ATP AMEL pilots with valid 1<sup>st</sup> class medicals will reach mandatory retirement age within 5 years (14,697).



# Nearly 1 in 5 Commercial Pilots are non-U.S. Citizens

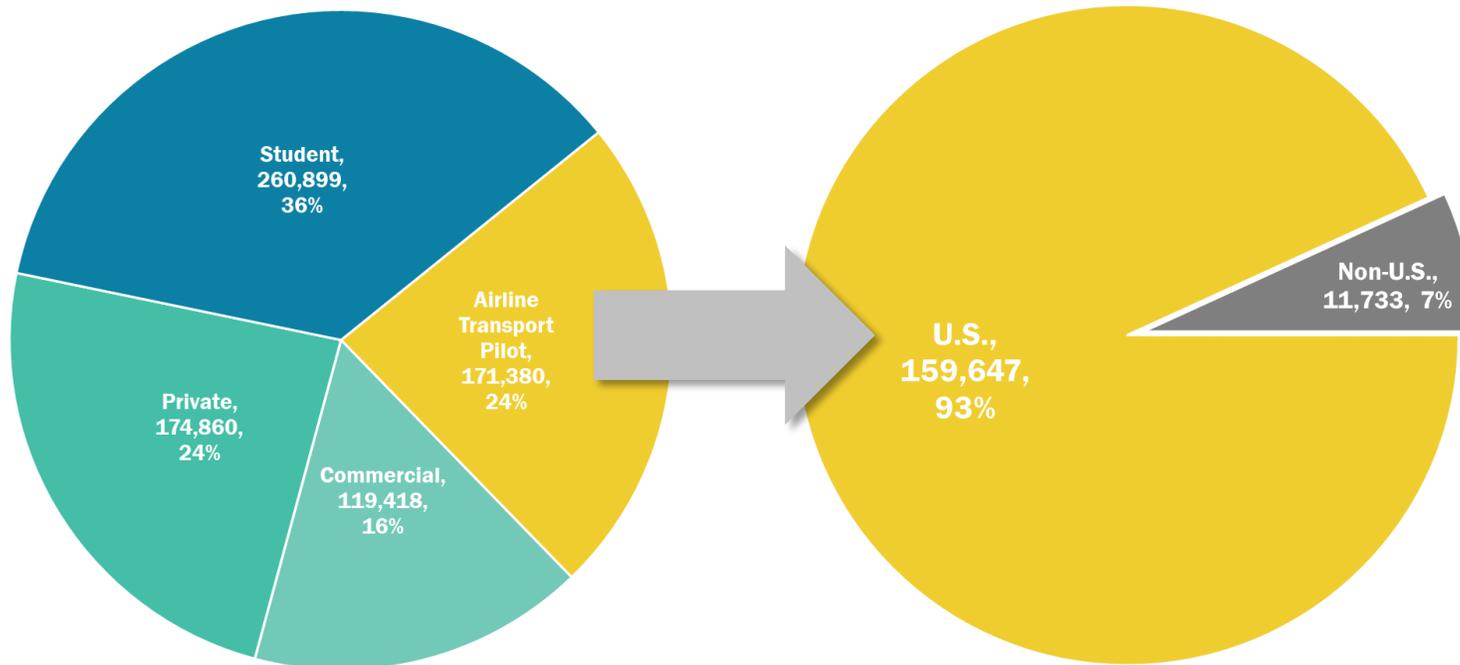
- 11% of all certificates are held by non-U.S. citizens.
- Nearly 1 in 5 commercial pilot certificates is held by a non-U.S. citizen.
- Commercial certificates are not a real gauge for future ATPs as the ATP is not required abroad.

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



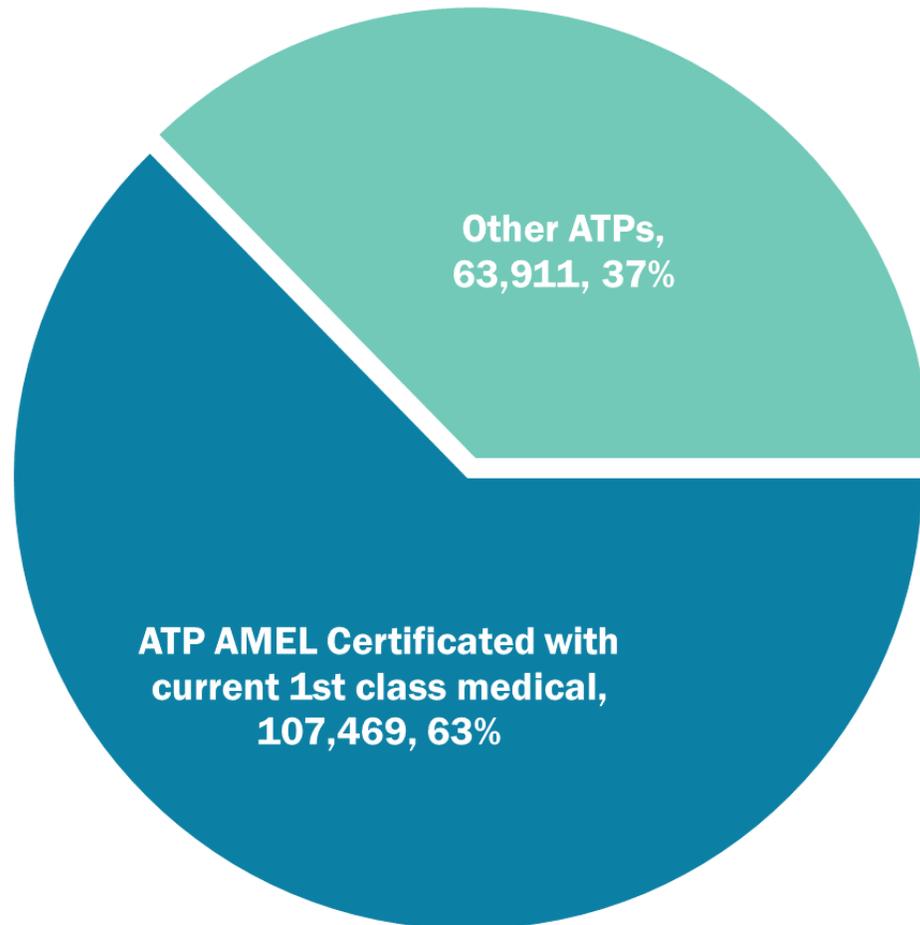
# How many pilots are TRULY available?

ALPA says 1.5 pilots for every job. To get this, they use the total count of Air Transport Pilots. That is an insufficient representation of supply and includes non-qualified pilots.



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 1<sup>st</sup> class medicals (*required for hire*)
- **At minimum, 37% of total ATP certificates are *ineligible for hire***

# How many pilots are TRULY available?

- Seniority lists for the legacy, regional, low cost, national, and large cargo carriers total more than 95,000 pilots
- The number of ATP AMEL pilots potentially hireable is barely over 10,000
- Currently unquantifiable additional disqualifications:
  - 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
Frontier	1,684
Allegiant	1,057
Hawaiian	847
Sun Country	462
Avelo	88
Breeze	85
Atlas	2,500
Total Pilots	95,084

# PSP and Airline Early Exits: The Facts

- All PSP funds had to be spent on non-officer payroll. Airlines that received PSP funds used the money as Congress intended, the law mandated, and the USTD required.
- GAO audited the program multiple times and found a very high rate of compliance.
- PSP was oversubscribed. Carriers received a pro-rated portion of payroll costs, covering about 55% of payroll. Involuntary furloughs and pay cuts were prohibited.
- In April and May 2020, about 6,000 major airline pilots accepted **union-brokered** early-exit packages to pilots who were aged 63 and older.
- These pilots would have retired in 2022 under Age 65 rules. Their early exits likely saved tens of thousands of airline workers across all job categories.
- These did accelerate, but did not cause, the pilot shortage.

# Pilot Compensation – The Facts



U.S. BUREAU OF LABOR STATISTICS

The US Bureau of Labor Statistics (BLS) [job outlook](#): “About 18,100 openings for airline and commercial pilots are projected each year, on average, over the decade. Many openings are expected to result from the need to replace workers who transfer to different occupations or exit the labor force, such as to retire.”

Per US BLS, The median annual wage airline pilots, copilots, and flight engineers was \$202,180 in May 2021. (The median annual wage for all occupations is \$58,260). Per US BLS’ [Highest Paying Occupations](#) report: ***Airline and commercial pilots had the second-highest median pay in 2021, behind only physician specialists.***

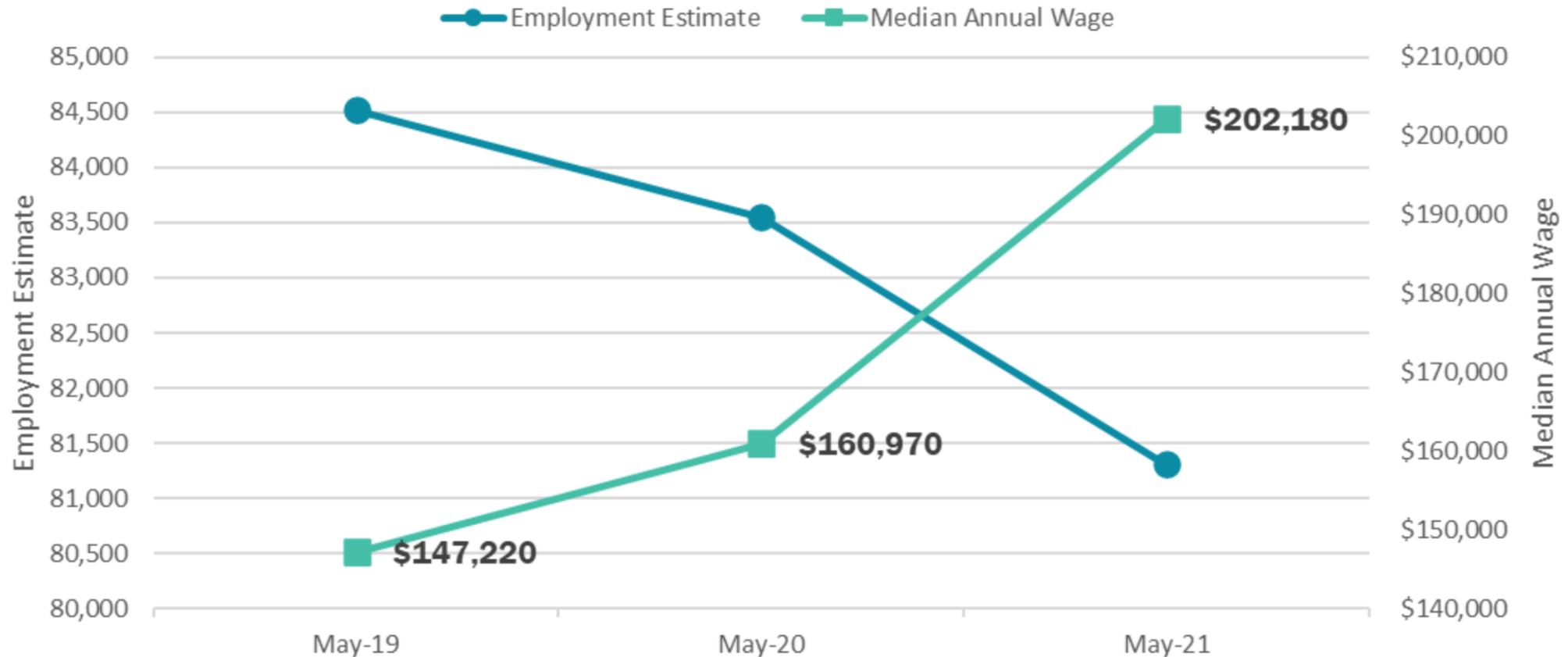
On September 8, 2022 the average total compensation for a first-year regional airline first officer was \$71,000. This number is rapidly increasing with more labor agreements pending. By comparison, in 2020, [United airlines pay](#) rates started at \$73,000 a year for its smallest aircraft to more than \$337,000 for a wide-body captain, according to Kit Darby.

Higher pay does not stop pilot upgrades to larger equipment with higher revenue potential, and there is a big difference between revenue capacity of regional equipment vs. mainline, where there are more paying passengers to support higher wages. Pay does not fix the shortage just as higher entry pay at a mainline does not stop a pilot from upgrading from a 737 to a 757 to a 777.

# Pilot Workforce Shrinking Despite Pay Increases

## Employment Estimate vs. Median Annual Wage

Occupational Employment and Wage Statistics (OEWS)  
53-2011 Airline Pilots, Copilots, and Flight Engineers



# Pilot Shortage by the Numbers

BLS Estimated Average Yearly Airline Pilot Openings 2020-2030 = **18,100**

FAA-data driven Forecast ATP/R-ATP new certificate issuance 2022\*\*= 9,998

$18,100 - 9,998 = 8,102$  potential annual pilot shortfall

At least 5 crews (10 pilots) are needed per aircraft. A shortfall of 8,102 pilots could park 810 aircraft in a single year.

About 500 aircraft have ***already been parked.***

Capacity is *also* be extracted through lower utilization of the remaining fleet.



**1,777**

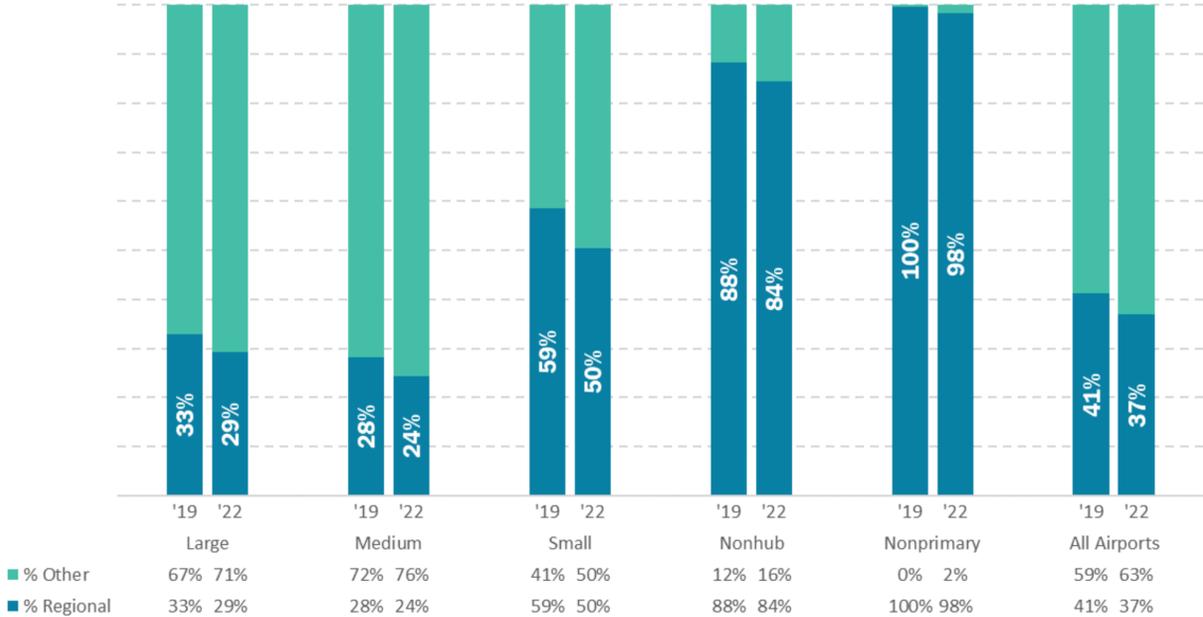
Total RAA member operated aircraft.

\*\*2022 output is higher than usual, due to catch up certifications paused during training – *FAA's average R-/ATP certification rate over the past decade was 6,335 certificates per year.*

# Lower Prevalence of Regional Flights Means Less Air Service to Smaller Communities

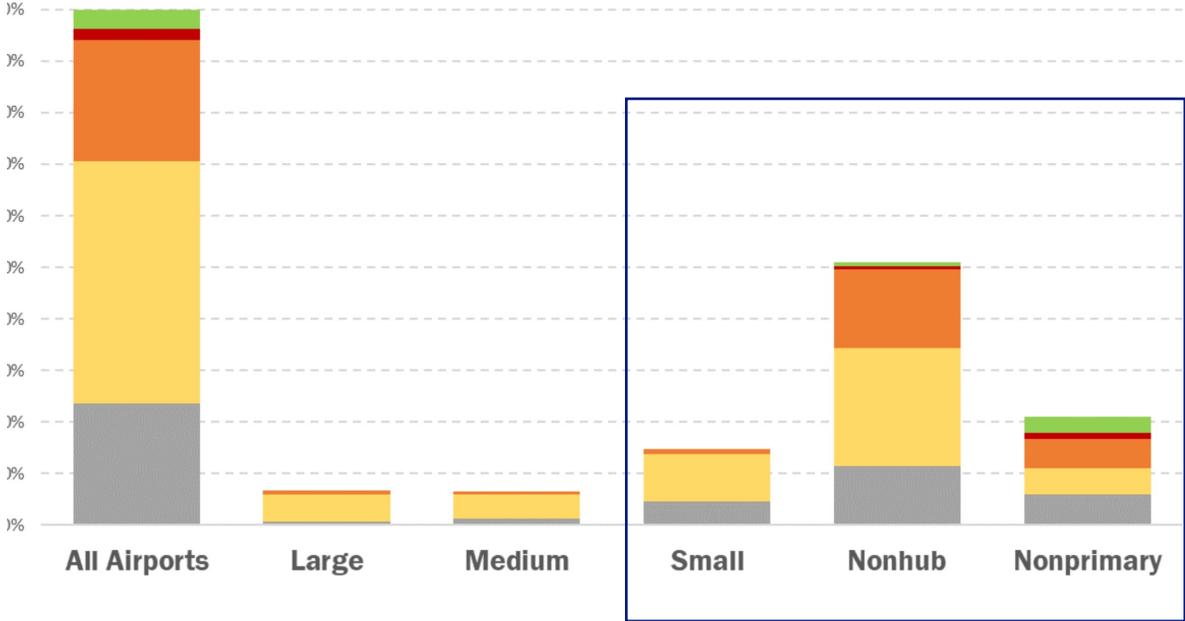
## DEPARTURES: Jan-Jun

■ % Regional ■ % Other



## Percentage Change in Scheduled Air Service by NPIAS Category Jan-Jun of 2022 vs. Jan-Jun 2019

■ Gained Some/No Change ■ Lost Up to 25% ■ Lost More than 25% ■ LOST ■ NEW



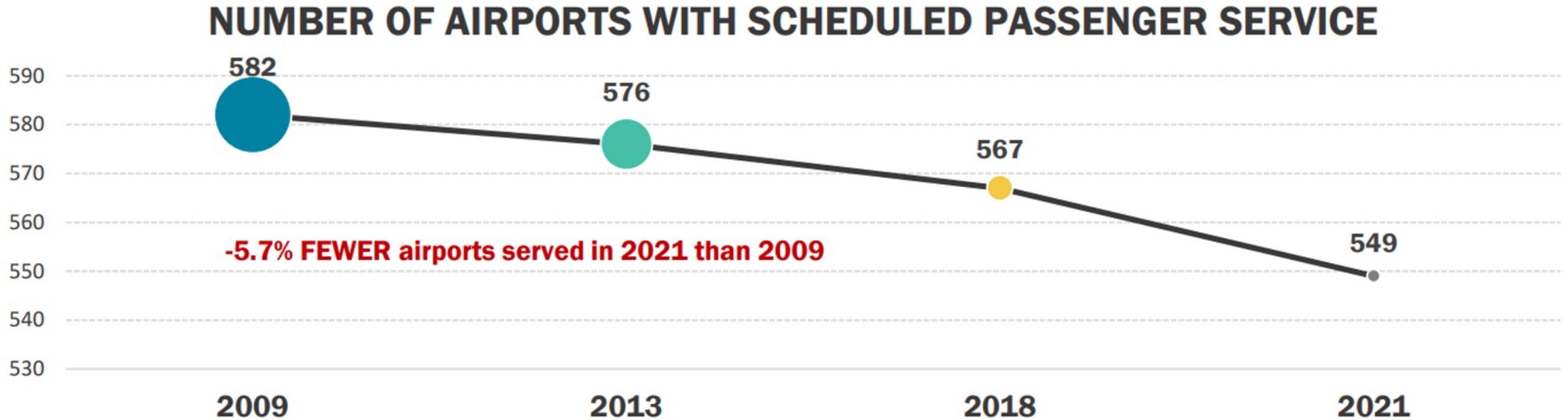
Presence of Regional Airlines at U.S. Airports is Shrinking in all Categories

Small, Nonhub and Nonprimary Airports Disproportionately Impacted

Large and medium hub airports = 11% of airports with reductions;  
small, nonhub and nonprimary airports = 59% of airports with reductions.

Source: OAG Schedule Analyser

# Historic Pilot Shortage Caused Air Service Contraction



# Dramatic Air Service Losses vs. Pre-Pandemic

332 (72%) airports experienced loss (loss of all service or reduced departures)

250 airports have lost more than 10%

211 airports have lost more than 15%

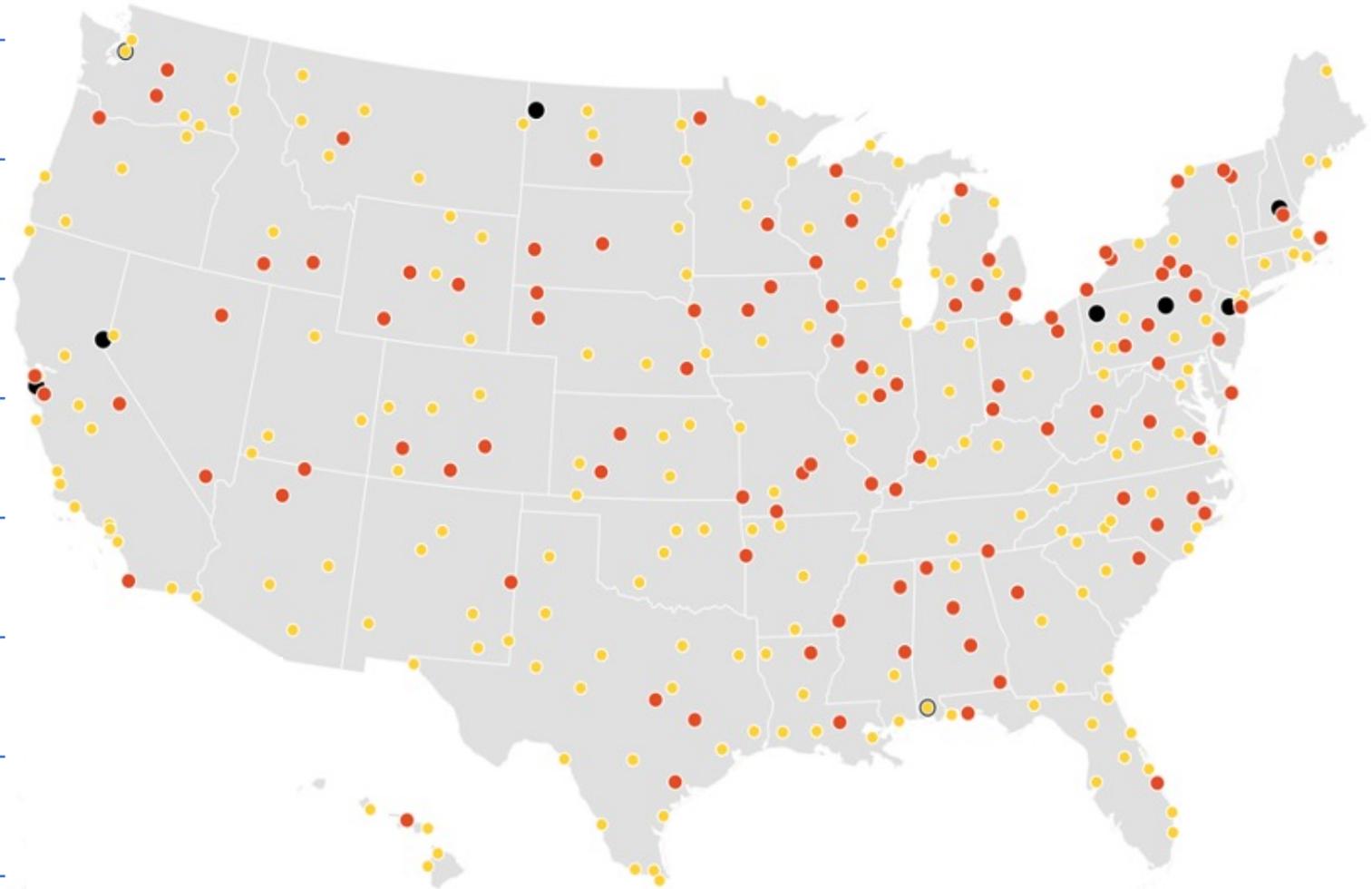
125 airports have lost more than 25%

84 airports have lost more than 33%

37 airports have lost more than half their service

17 airports have lost more than 70% of their service.

8 airports have lost all air service.

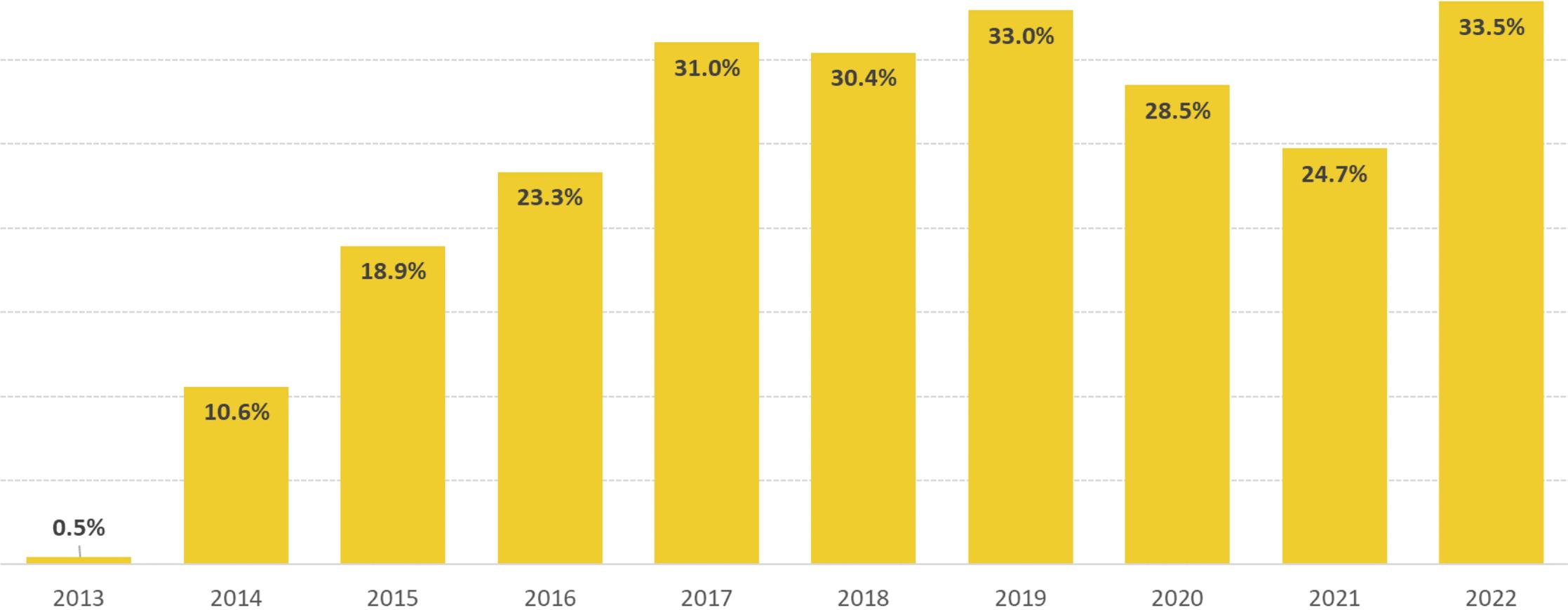


● Communities losing ALL air service. ● Communities losing LESS than 25% air service. ● Communities losing MORE than 25% air service.

# Solving the Crisis

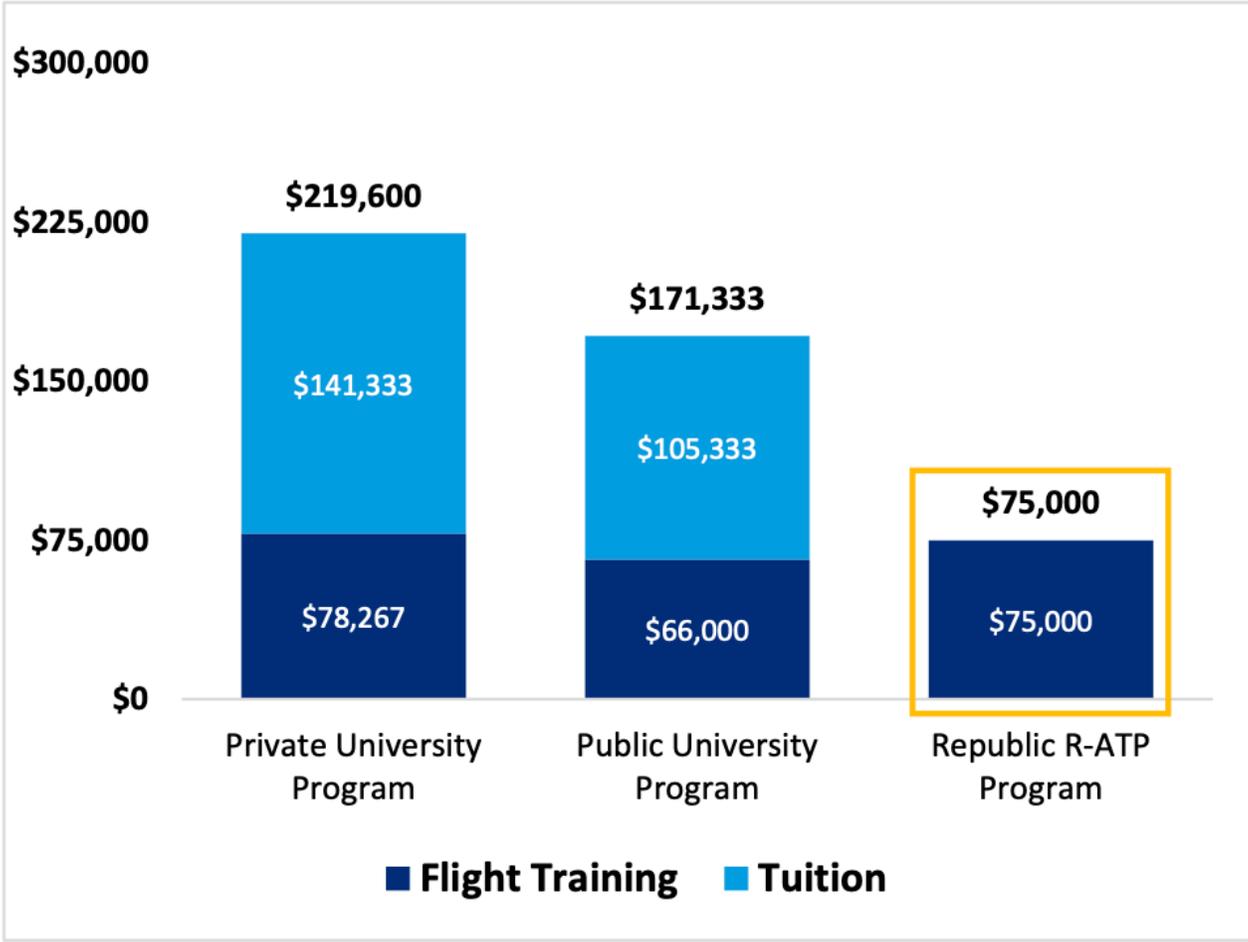
# Structured Training Pathways Improve Proficiency, but are Under-utilized

Demand for R-ATP (structured training in lieu of hours-accumulation) pathways is growing, but these pathways are inaccessible to many pilots (financial limitations, geographical limitations, degree program or military limitations.). Only 1/3 of all pilots access this superior training. [Data](#) shows these pathways produce pilots with the highest proficiency.



Source: data files distributed monthly by Registry Services and Information Management Branch, AFB-730, Federal Aviation Administration

# Cost of Flight Training + Tuition, Collegiate vs. Airline



**Figure 4: Education costs for public and private programs: for degree and flight training through MEI**

Source: Republic Airways Analysis of Published Aviation Program Tuition and Flight Training Fees



# Steps for a Strong, Long-Term Pilot Supply

- In addition to ongoing airline self-help and investments to attract and support pilots, **policymakers must reduce substantial barriers of entry** blocking pilot career access.
- The cost of pilot training and education exceeds student loan funding limits by \$80,000 or more; flight education is unreachable for students without wealth or private financing. RAA backs the **Flight Education Access Act** to close this gap so all students can access flight training.
- **All solutions must put safety first and follow the law:** 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.
- Proficiency-based, structured training pathways produce pilots with the highest proficiency; but schools are full and qualified candidates often lack access. **More and better FAA-approved qualification pathways** hold the key to **improving career access** and **raising the bar** on training safety standards.
- 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**.
- Short term solutions, like letting experienced pilots fly until age 67 (indexed to social security) and streamlining visas approvals for foreign pilots with due recognition of their aeronautical experience, will provide **short-term relief** while holistic solutions take hold.



# Status of Solutions

- **Senator Tammy Baldwin** is crafting the Flight Education Access Act, aligning student loans to the cost of flight education. ALPA opposes aid for anything but degree programs.
  - How you can help: call the Senator, thank her for her leadership, urge her to introduce without restrictions that would undermine the bill.
- **Structured Training** – the FAA has authority to approve structured training credit hours when safety is improve. This includes non-degree pathways. To date, FAA has not used its authority.
  - How you can help: Political pressure, not safety deficiencies, drive FAA hesitation. Ask lawmakers to encourage safety-enhancing pathways based on science and data, *not politics*.
- **Visa Waivers** -- A streamlined visa process should allow qualified, foreign pilots to join U.S. airlines, like other highly-skilled professionals.
  - How you can help – contact lawmakers and ask them to support visa waivers for highly skilled pilots in short supply.
- Increasing **pilot retirement age to 67 years** -- given stringent medical regulations ensure all pilots are healthy and fit to fly, can be done safely, as evidenced by numerous pilots safely flying in part 135 operations today.
  - How you can help – Call lawmakers and urge them to sign on to the Let Experienced Pilots Fly Act (bills in both chambers have broad GOP support, but the issue should be bipartisan!)



Cities Are Losing Air Service  
**RALLY** Together to Stop the Loss

**JOIN US**

For More: [info@rallyforairservice.org](mailto:info@rallyforairservice.org)



Regional Airline Association

**Thank you!**

**Faye Malarkey Black**

black@raa.org

# Alternate Slides

# 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

# ALPA on PSP in May 2021

May 2021 issue of *Air Line Pilot*:

“And despite living through what has arguably been the worst year in aviation history, roughly 83 percent of airline workers remain employed. In addition, PSP has allowed ALPA negotiators to reduce pilot seniority lists, in light of the steep decline in air travel, through largely voluntary measures such as early-outs and short- and long-term leaves. Thousands of ALPA members selflessly took advantage of volunteer layoffs and early retirement opportunities offered by their carriers to help save the jobs of junior pilots.”

# ALPA on PSP in May 2022

May 2022 Issue of *Air Line Pilot*:

“Federal Aid was granted to keep workers on the payroll so that airlines would be ready for the increased travel demand the industry is experiencing today. Instead, they pushed out thousands of pilots and ineffectively managed training resources for current employees. The result is a massive increase in flight cancellations and delays, which will likely grow during the summer travel season.”