

By GEORGE WEHRFRITZ

AIRLINE TRAVEL IS BOOMING. SO WHY ARE EXECUTIVES at Philippine Airlines so worried? Quite simply, the spike in global air travel since 2003 has cost them a precious commodity: seasoned pilots. The flag carrier has suffered 104 flight-crew resignations over the last four years, an attrition rate of more than 20 percent, due to poaching. Result: the airline has had to increase pay by up to 60 percent. They aren't the only one with troubles. Hong Kong-based rival Dragonair has reduced scheduled flights following an exodus of pilots due to pay and scheduling issues. "The fact is that there are currently more vacancies than there

are pilots throughout the industry," says Dragonair spokesperson May Lam-Kobayashi.

While that's especially true in booming Asian economies, the pilot crisis is a global one. In a report issued in late November, the Geneva-based International Air Transport Association (IATA) announced that the industry would need

tions to further improve safety and increase training capacity."

Safety concerns are, in fact, becoming a huge issue. While airline manufacturers can turn out new jets in mere months, a pilot capable of commanding a wide-bodied aircraft such as an Airbus 340 or Boeing 777 takes many years to groom. Airlines often opt to poach crews from competitors

Airlines have initiated some corrective maneuvers. One common practice: raise the retirement age for pilots from 60 to 65—as the European Union did way back in 1996. More than 10 years on, the International Civil Aviation Organization (the U.N. body that regulates the airline industry, has followed suit, a move that has encouraged Philippine Airlines, for example, to rehire a number of old-timers on a contract basis. On Dec. 12, the U.S. House of Representatives voted to increase the retirement age for U.S.-based pilots to 65, with Senate approval pending.

Yet toggling retirement rules alone won't mitigate the captain crunch. Analysts argue that training systems established in the 1950s—in which the total number of hours a trainee logs flying solo in single-engine aircraft weighs heavily—is outmoded. Instead, they advocate greater use of flight simulators, more emphasis on flight schools versus in-house training programs and other measures to shorten the trainee-to-cockpit pipeline.



ON THEIR WAY UP: Pilots now get better wages

Airlines in the Brace Position

Air travel is booming as the world gets richer. But one issue looms: who will pilot all those planes?

some 17,000 new pilots annually over the next two decades to keep up with demand. The Asia Pacific Airline Training Symposium estimates that Asian airlines alone would require 6,000 additional pilots per year through 2020. Even tiny Ireland's three carriers will need a combined 570 pilots next year alone, says the chief executive of the Waterford-based Pilot Training College. It's a boom unmatched since the advent of jet travel in the 1950s. Over the next 10 years, if current estimates hold true, almost three times as many pilots will enter the industry worldwide than are currently represented by its largest union, the 60,000-strong Air Line Pilots Association (which encompasses the bulk of pilots currently flying in North America). "It's time to ring the warning bell," said the IATA director-general and CEO recently. "We must rethink pilot training and qualifica-

rather than train them, with top-tier airlines recruiting from their second-tier rivals, who in turn woo promising talent from budget or express carriers. Pilots are clear beneficiaries, of course; seasoned veterans piloting large jets can now command \$15,000 per month in some markets.

That's a big change from the post-9/11 period, when the industry went through mass layoffs and pay cuts. Many pilots stopped flying altogether and chose new careers. Now, the shortage has grown so acute that airlines are putting unseasoned pilots into cockpits and calling for less stringent pilot certifications, even as skies and airports grow more congested. "The rush to push pilots through training and into cockpits raises obvious safety concerns," says Capt. John Prater, president of the Air Line Pilots Association, International, last August.

Europe has pioneered the use of multi-crew pilot licenses that allow trainees to forego some of the single-pilot requirements, shorten actual flight hours in exchange for more time in simulators and go from classroom to cockpit in about a year. "Pilots need to improve their capacity for reacting in the correct way when dealing with situations of particular stress, especially during takeoff and landing," says Jurgen Haacker, an operations director at IATA in Montreal. "It's not about reducing the amount of flight hours, but of providing trainees the capacity to react when they should do so—in critical moments."

The first European trainees earned multipilot licenses in Denmark in September, and took jobs with Scandinavian budget carrier Sterling Airlines; more recently six Chinese cadets from two airlines have finished programs at home. But pilots unions have criticized the new multi-



pilot-licenses system for turning out first officers that haven't flown enough. At an industry conference in August, Prater, the ALPA boss, said that the days of green-horn trainees working for "burger-flipper wages" are over. And he warned that airlines have become too eager to fill cockpits with inexperienced crews. "At some express carriers, pilots now need as few as 250 hours of flight time [the very minimum hours required to obtain a commercial pilot license] to land a job [as a copilot] of a fast-moving, demanding jet. Unlike in the 1960s, when new pilots entering the system came to work as flight engineers and had time to observe and learn how crews got along and how the system works, new pilots today are going straight into the right [copilot] seat, and moving into the left [captain] seat in a hurry. And they're doing it in airplanes that are great machines, but can be unforgiving."

The problem is particularly acute in the developing world. Take Indonesia. Since 2000, its yearly passenger count has tripled to 30 million and the number of airlines has leaped from five to 25. By 2010, the government expects that the number of trips per year could more than double again. The country has suffered more than its share of fatal accidents, including two for upstart budget carrier Lion Air and a March 2007 crash of a Garuda Indonesia flight trying to land at Yogyakarta—which an official inquiry attributed to a series of errors made by a veteran captain and his rookie copilot. Twenty-one passengers aboard, five of them Australians, perished. "The aviation industry wants to see Indonesia succeed in this struggle [to improve safety]," says William Voss, head of the U.S.-based Flight Safety Foundation during a July summit on air safety held on the resort is-

GROUNDING: *Hong Kong's Dragonair had to cancel flights due to a pilot shortage*

land Bali, at the same time warning that the "dramatic increase in traffic could lead to even more lives lost."

Certainly there's no end in sight to the transport boom. At the Dubai Airshow in November, Emirates Airline ordered a staggering 81 Airbuses (11 of them double-decker A380s) and 12 Boeing 777s, spending a total of \$23 billion. Together, the two main airframe makers are expected to sell a record 2,100 planes worldwide by the time the 2007 books are closed. And pilot pay keeps rising. After a two-year negotiation, Hong Kong's Dragonair offered its pilots a 20 percent raise in mid-December, affirming that pilots are in the driver's seat.

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