



US Airline Pilot Careers FAA Forecast Conference DCA 3/11/08



Career Development System

1 800 AIR-APPS

AIR
INC
Airline Career Specialists

S144

AIRLINE PILOT

CAREER DEVELOPMENT SYSTEM

- Job Monthly Newsletter
- Career Decisions Guide
- Application Handbook
- Special Reports
- Address & Info Directory
- Fleet & Simulator Directory

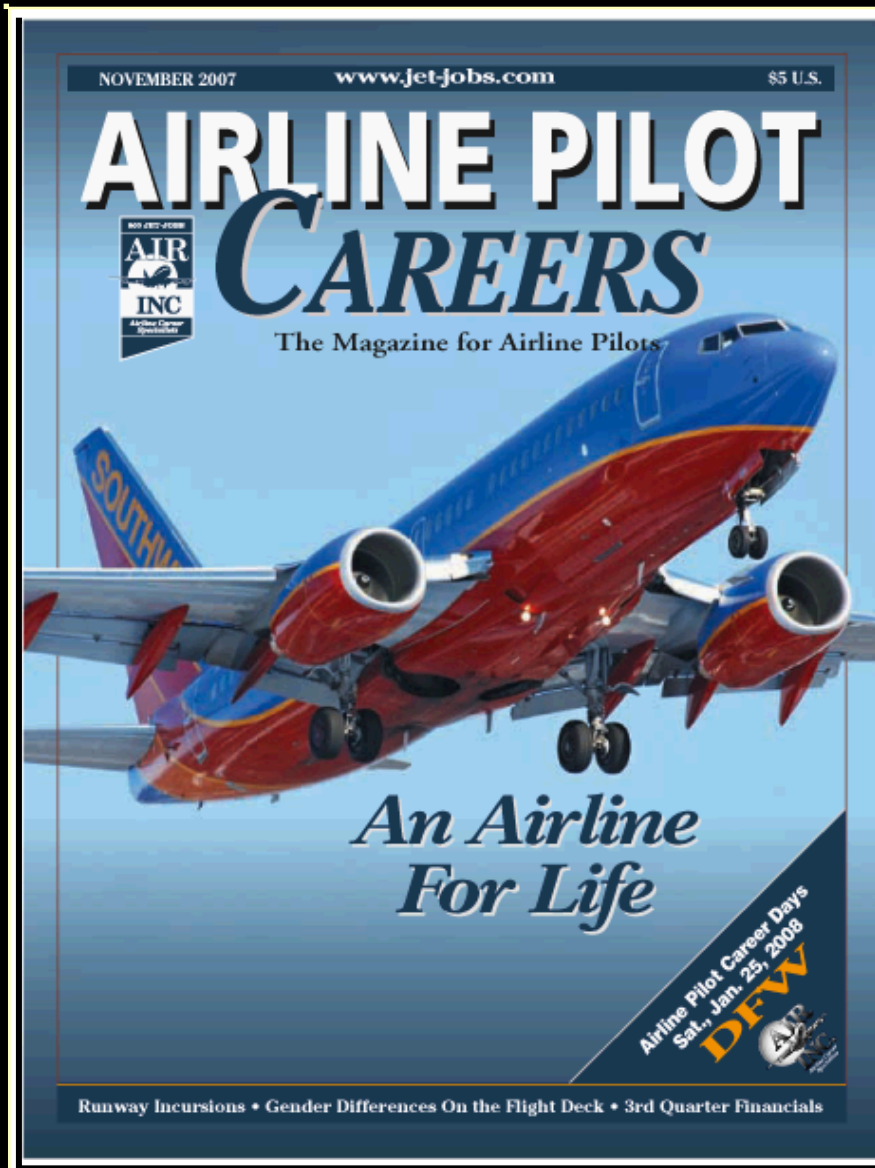


AVIATION INFORMATION RESOURCES • 4032 Riverdale Court • Atlanta, GA 30337 • FAX: (404) 996-5547 • PH: (404) 996-5424

Career Development System



Airline Pilot Careers Magazine



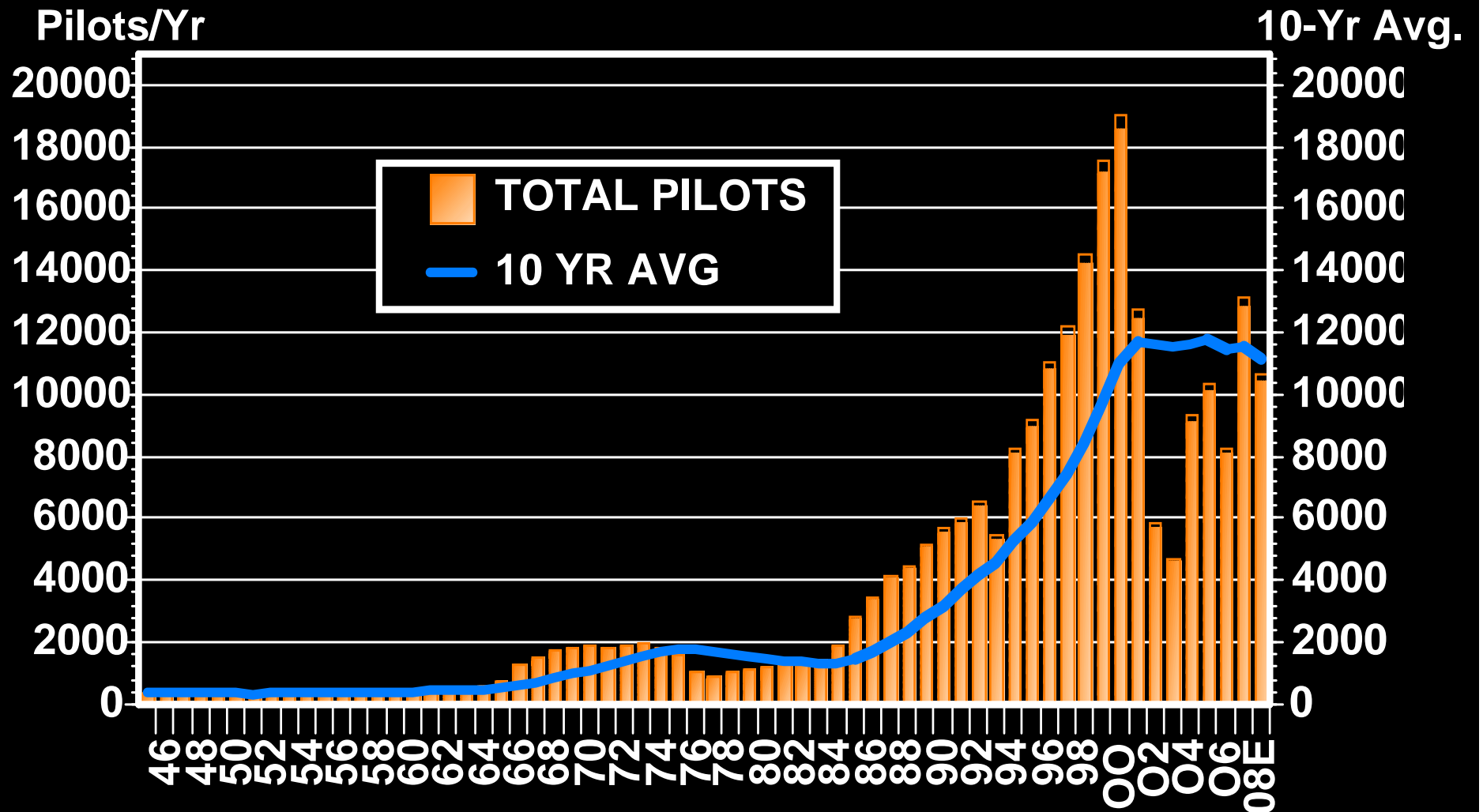
Free with
membership,
Renewal,
Starter Kit,
or
Subscription

Over 130
issues on the
web from 1996

The Airline Pilot Job Market Past, Present, and Future



Historical Pilot Hiring 1945 - 2008E



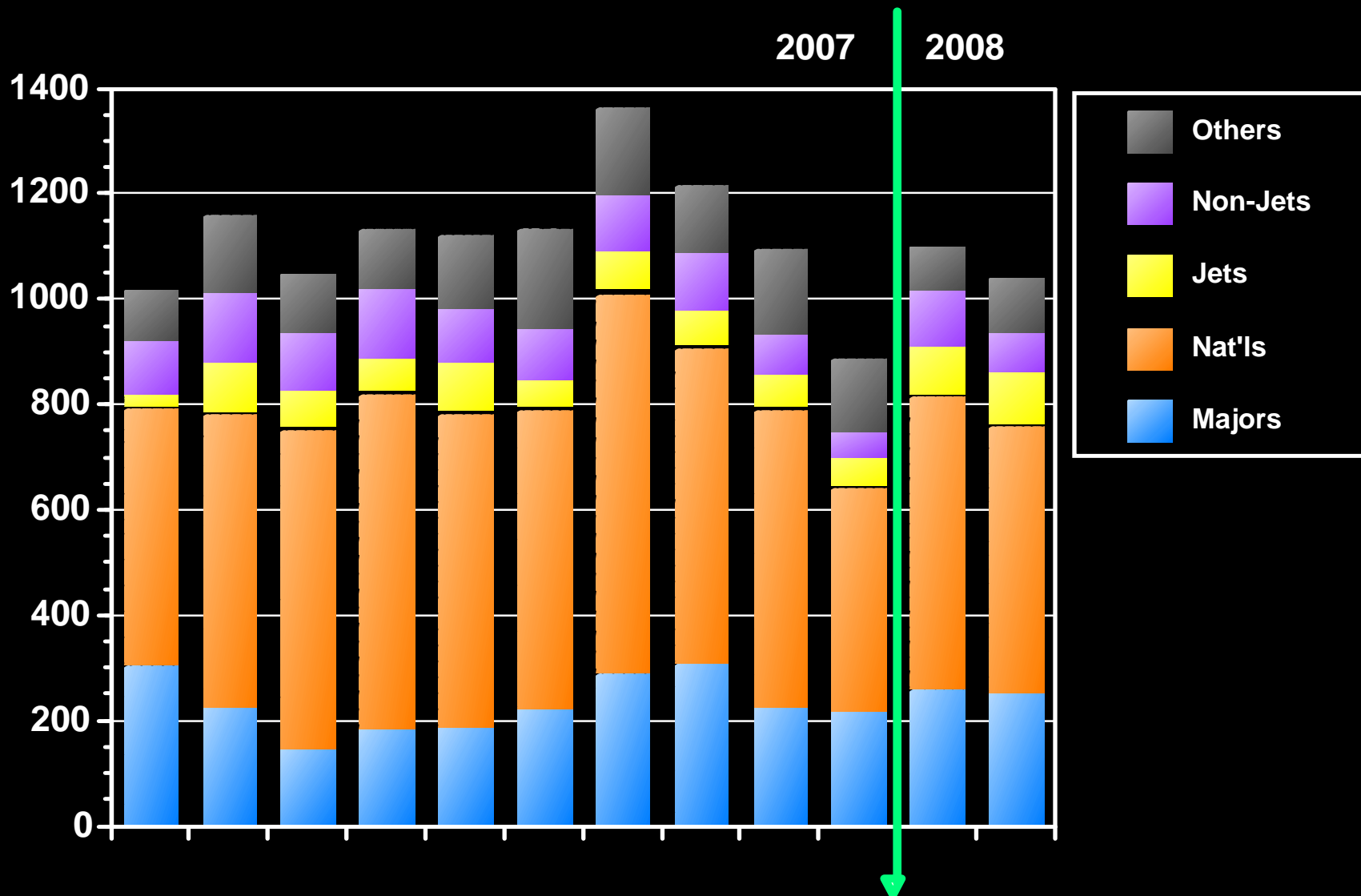
16-Year Pilot Hiring Summary 1993 - 2008E

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008 Est
MAJORS	463	1,266	2,377	3,080	3,854	3,646	5,000	4,779	3,318	549	518	1,139	2,498	2,276	2,900	2000
NATIONALS	814	1,837	2,508	2,773	3,194	4,698	5,397	6,601	4,026	1,698	1,900	3,948	3,193	3,233	6,831	5000
JET OPS	1,725	2,015	1,735	2,305	1,946	2,573	2,251	2,805	1,716	1,145	1,030	2,012	1,592	611	688	500
NON JETS	1,913	2,566	1,745	1,825	1,762	2,256	2,507	2,782	2,065	1,108	686	1,446	1,480	918	1,184	800
FRACT'LS	100	100	200	300	300	400	581	1,363	1,038	997	198	482	816	674	620	650
TNG/FOR/CL	272	72	373	366	732	128	1,430	115	83	18	93	118	348	410	497	1000
UPSTARTS	N/A	288	76	276	98	477	193	67	11	87	36	19	276	134	437	700
TOTAL	5,487	8,288	9,202	11,081	12,236	14,543	17,615	19,027	12,766	5,845	4,743	9,382	10,389	8,256	13,157	10650

FEB 2008 Hiring Summary

Category	Total	Hiring	On Furlough	2004	2,005	2,006	2,007	'08 YTD	FEB
MAJORS	15	11	2,129	1,139	2,498	2,276	2,900	520	255
NAT'LS	38	31	288	3,948	3,193	3,233	6,831	1,071	512
JETS	36	14	74	2,012	1,592	611	688	187	97
NON-JETS	44	22	0	1,446	1,480	918	1,184	181	75
FRACTIONALS	6	5	0	482	816	674	620	92	54
CL/FOR/TNG	44	37	0	118	348	410	497	100	45
UPSTARTS	6	3	0	19	276	134	437	0	0
TOTAL	189	123	2,491	9,164	10,203	8,256	13,157	2,151	1,038

Airline Pilot Hiring Last 12 Months '07/'08





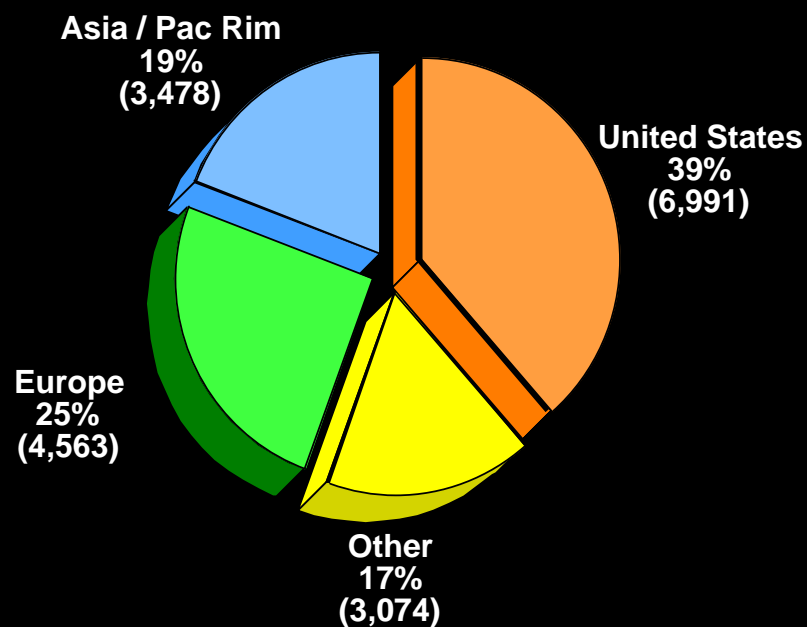
Factors That Drive Pilot Hiring

Equipment Growth – Large Jets

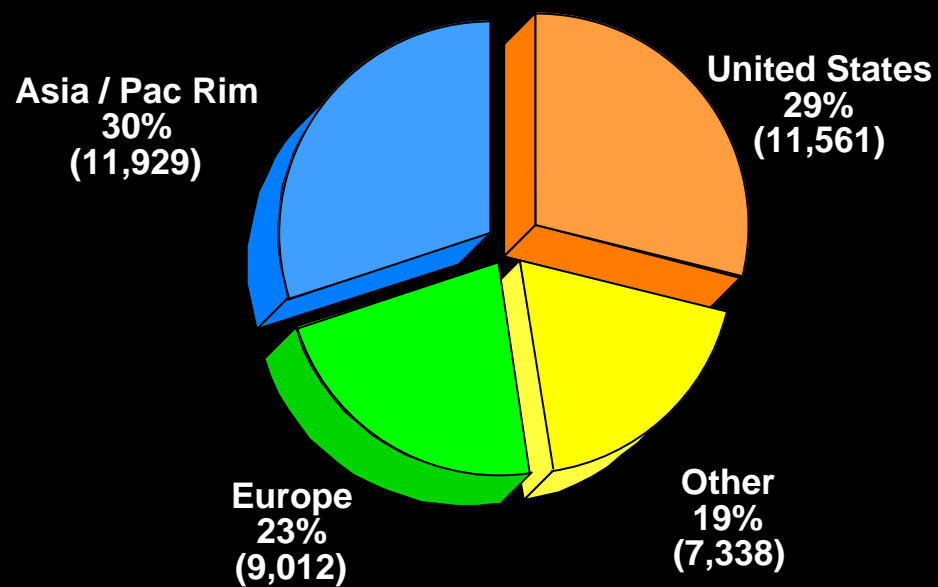
- U.S. fleets will **grow from 4,133 AC to 7,402 AC by 2025 – almost 65% growth**
7,402 new AC X 12 pilots/AC = 88,824 new pilots
- The world fleet will more than **double from 18,199 AC to 38,175 AC by 2025**
38,175 new AC X 12 pilots/AC = 458,100 new pilots
- **27,200 world deliveries over next 20 for growth.** 35% will be delivered to North America, 29% to Asia, and 24% to Europe.

World Aircraft Distribution 2007 - 2025

2007 - 19,699 AC

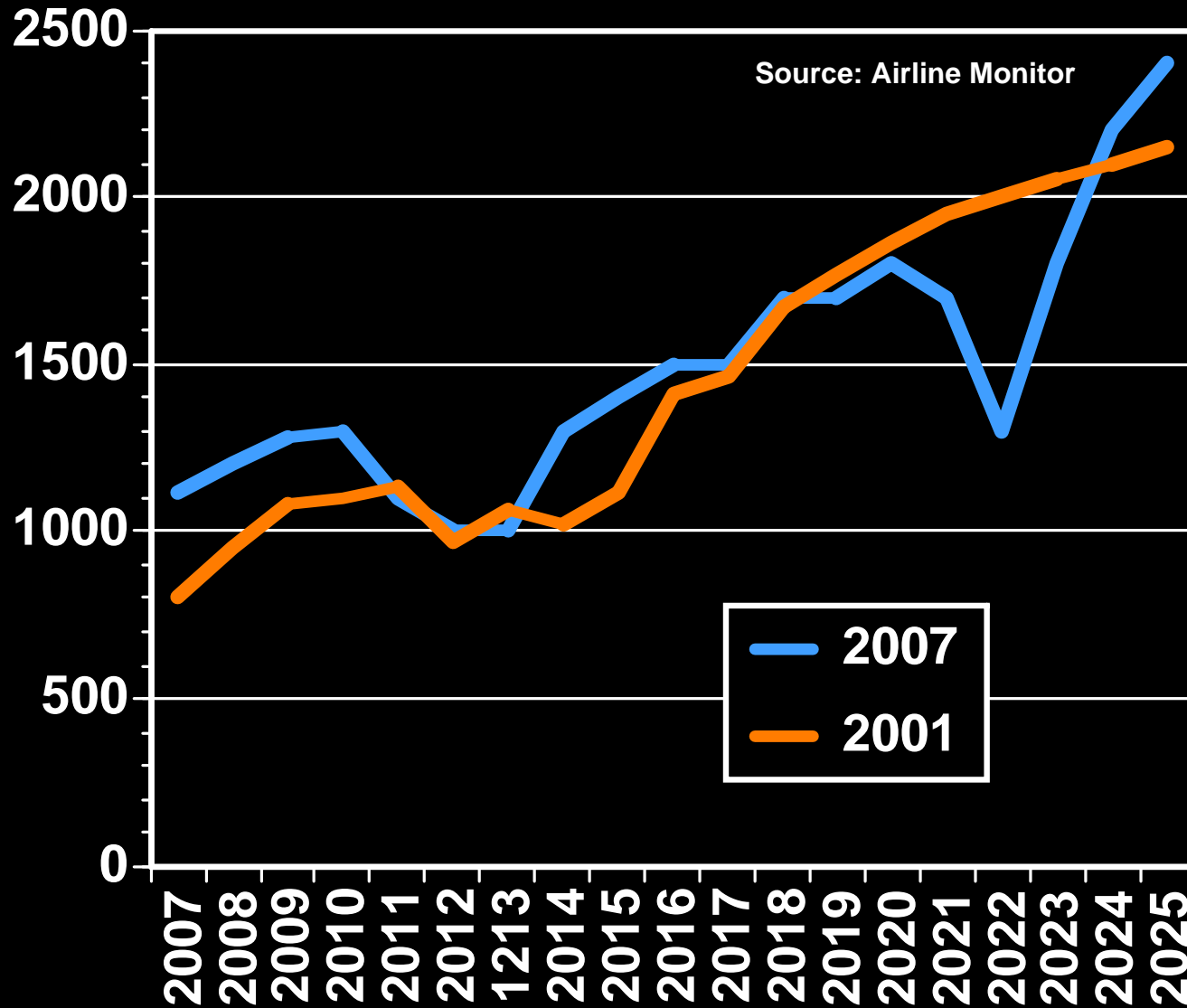


2025 - 41,877 AC

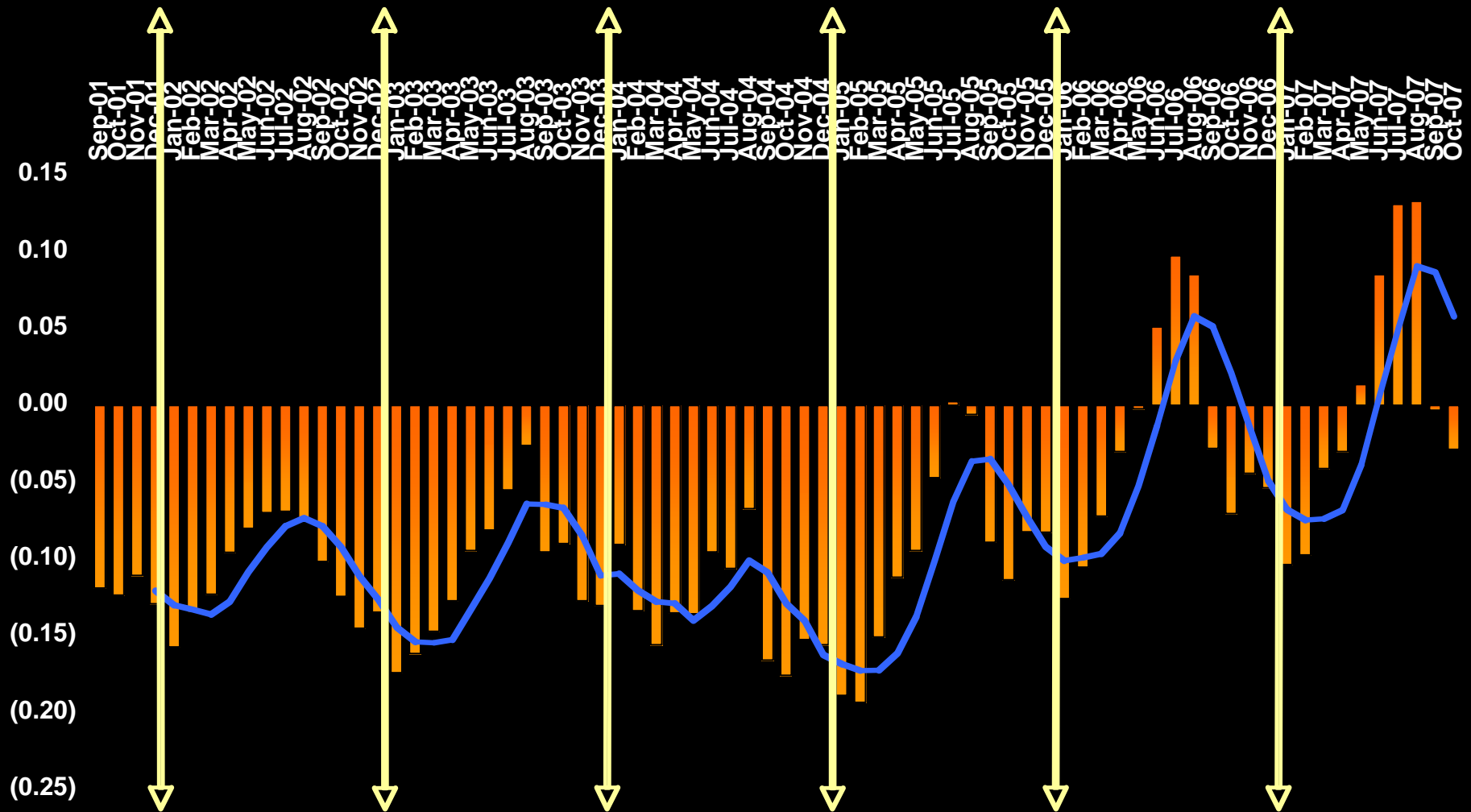


Jet A/C Forecast 2007-2025

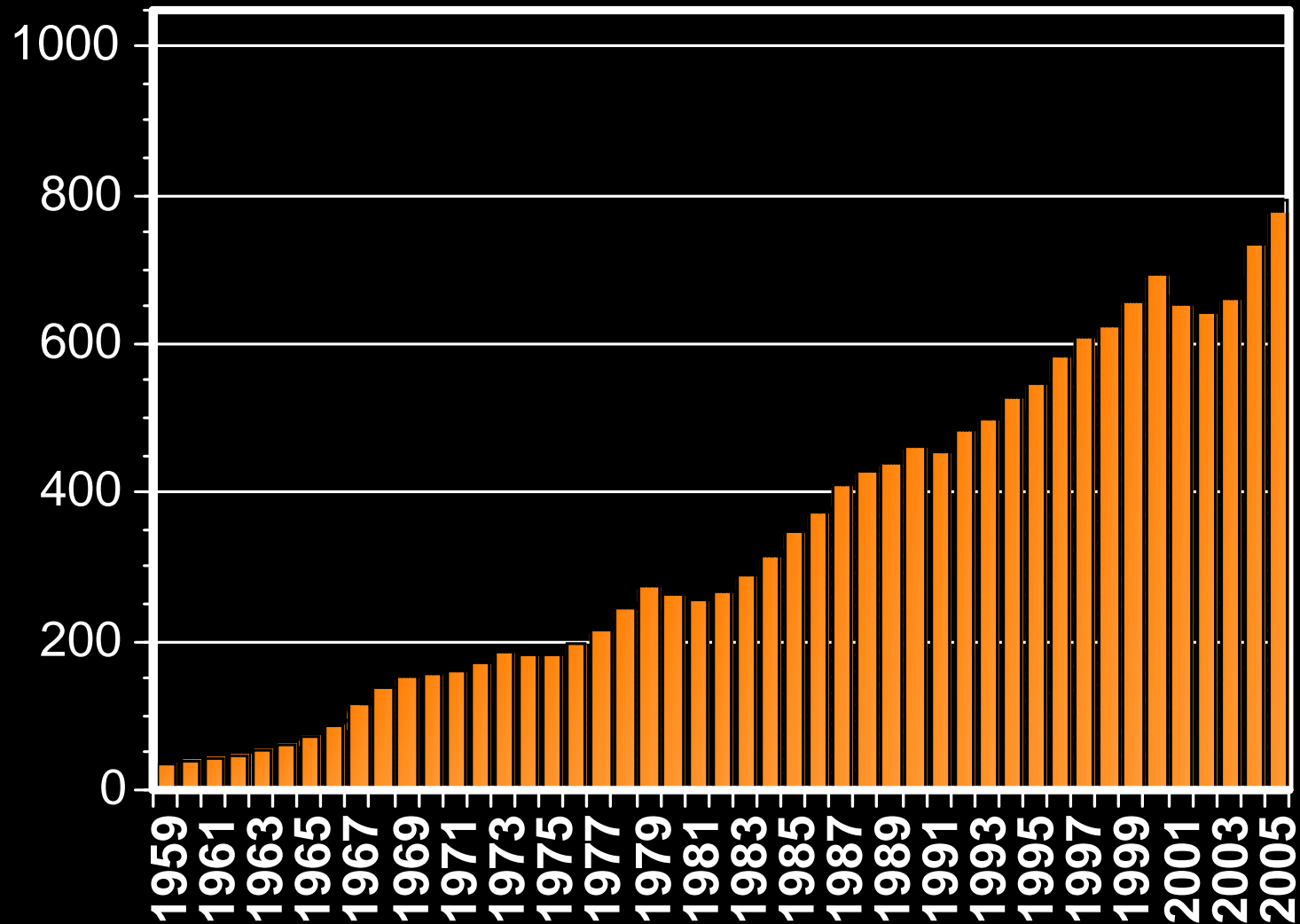
A/C Per Year



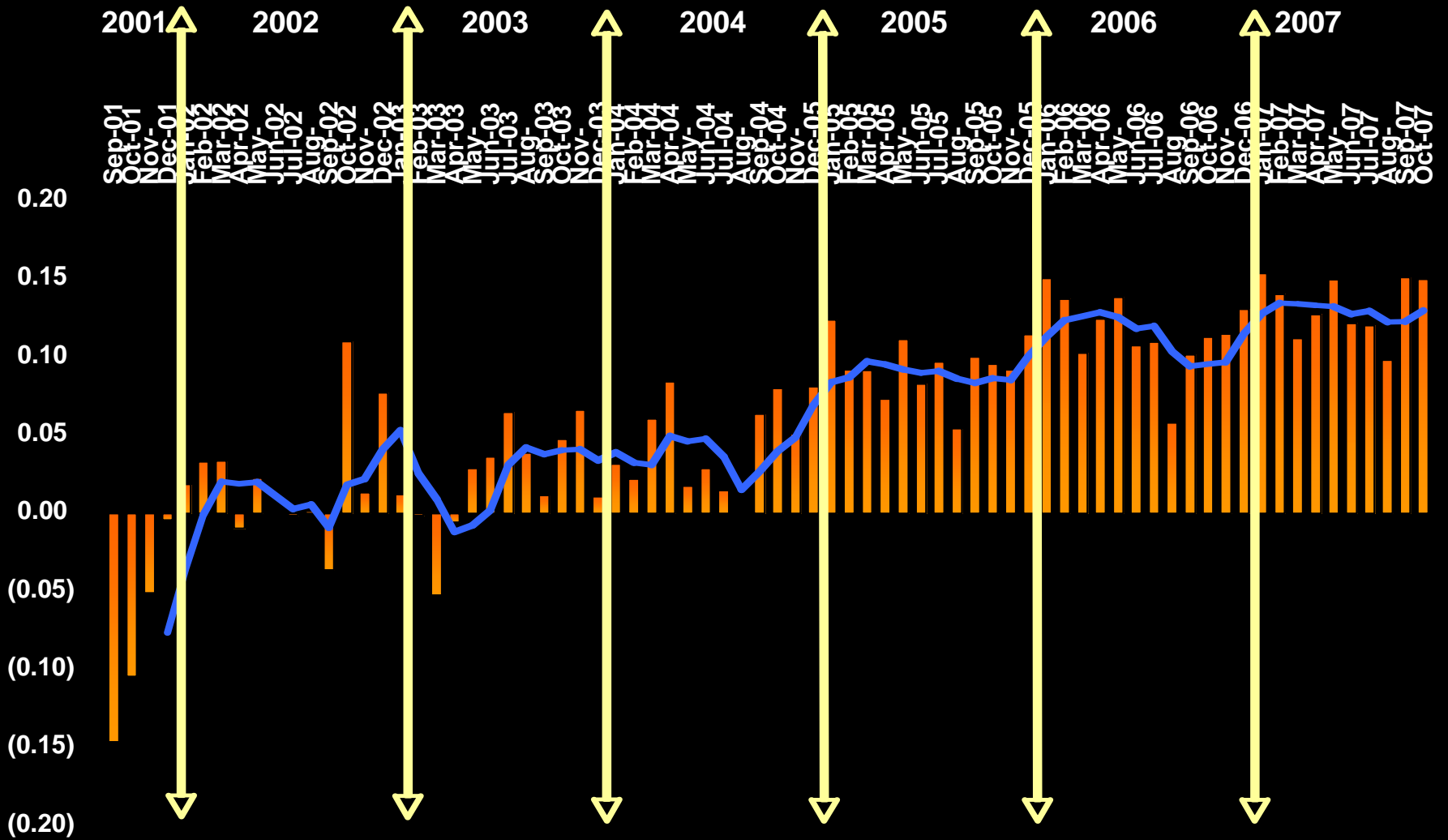
US Major Airlines' Yield Trend 01/01 - 10/07



US Airlines Historical RPMs 1959-2005

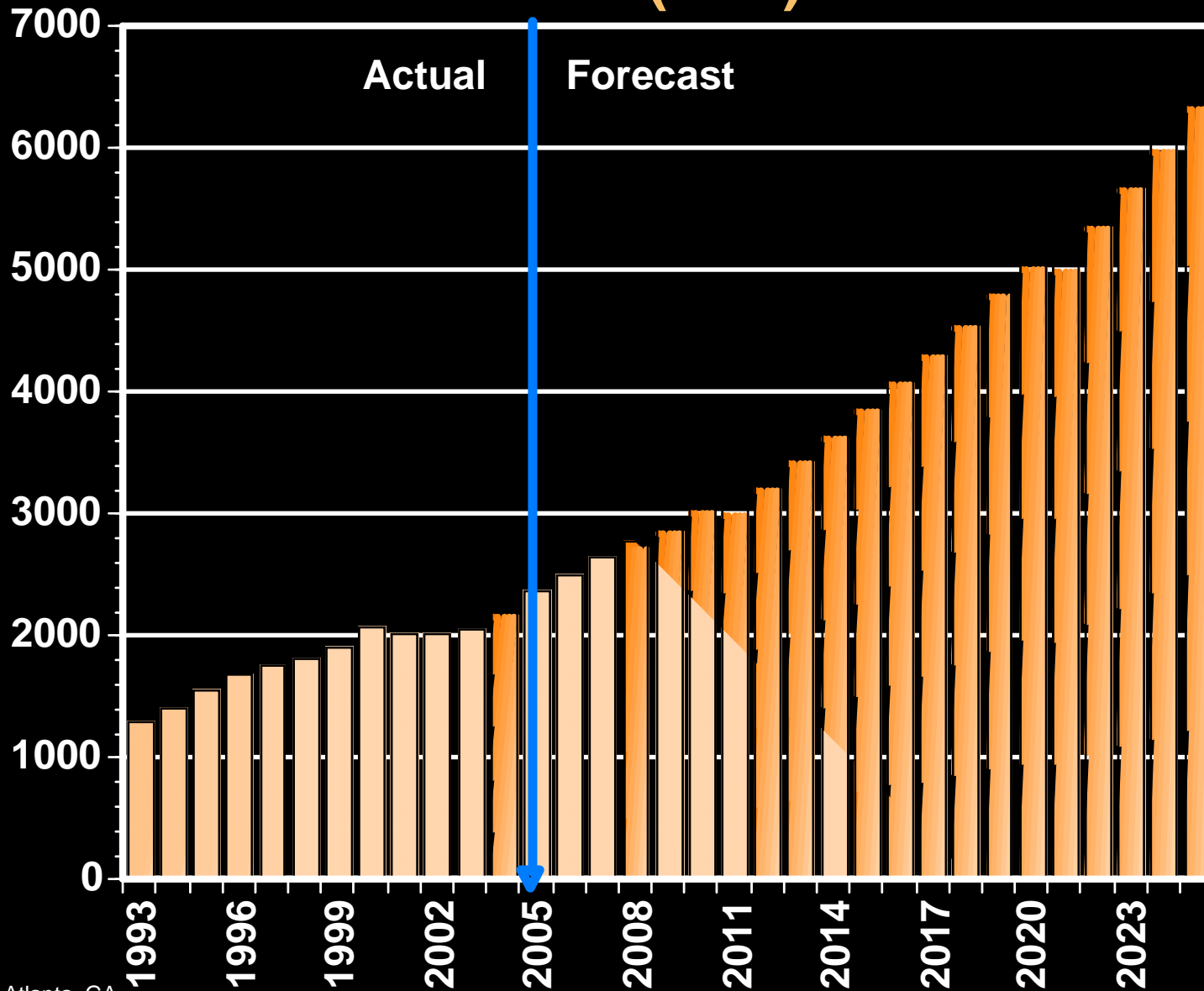


US Major Airlines' Load Factor Trend 01/01-10/07

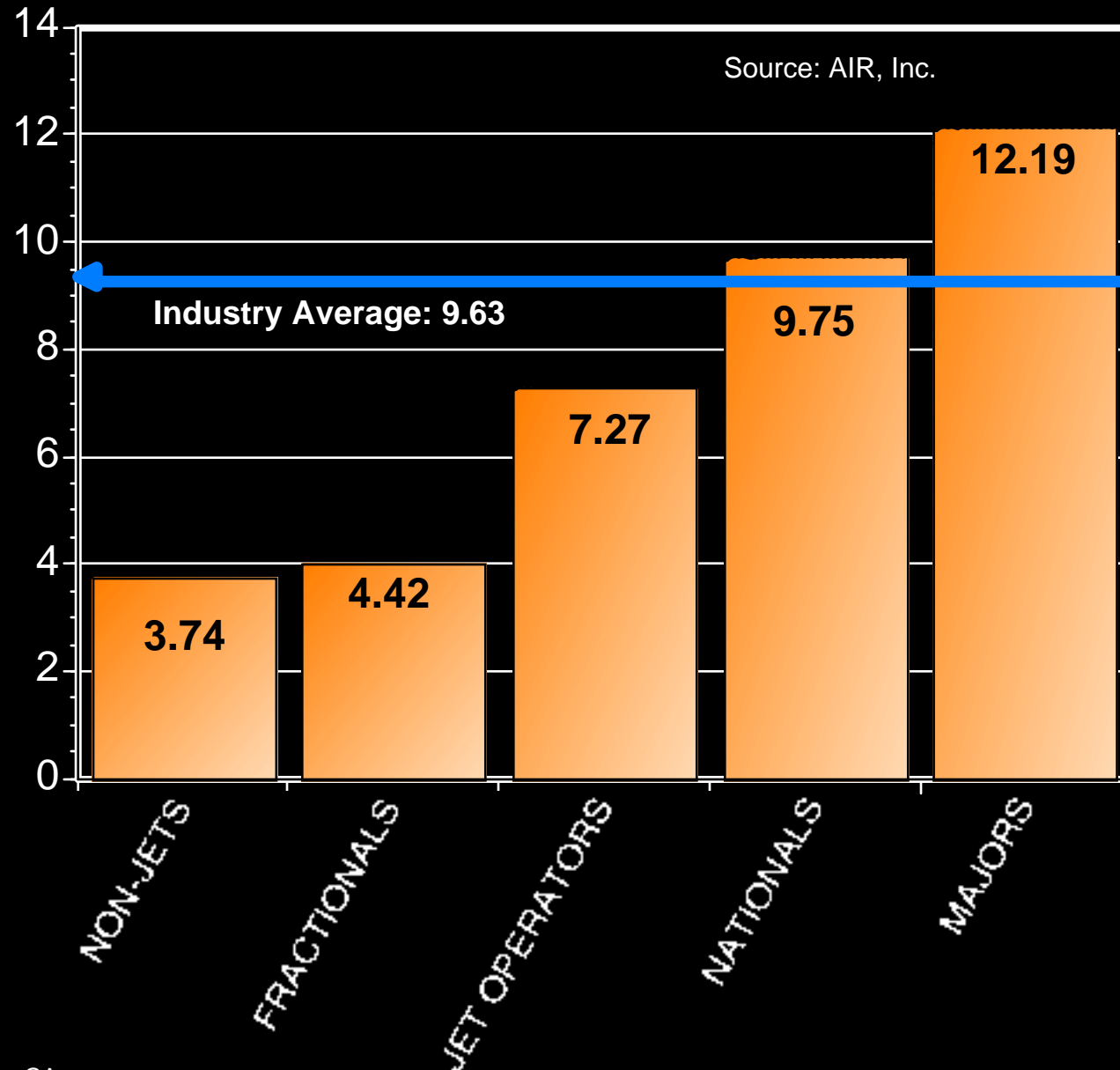


World Passenger Traffic Forecast

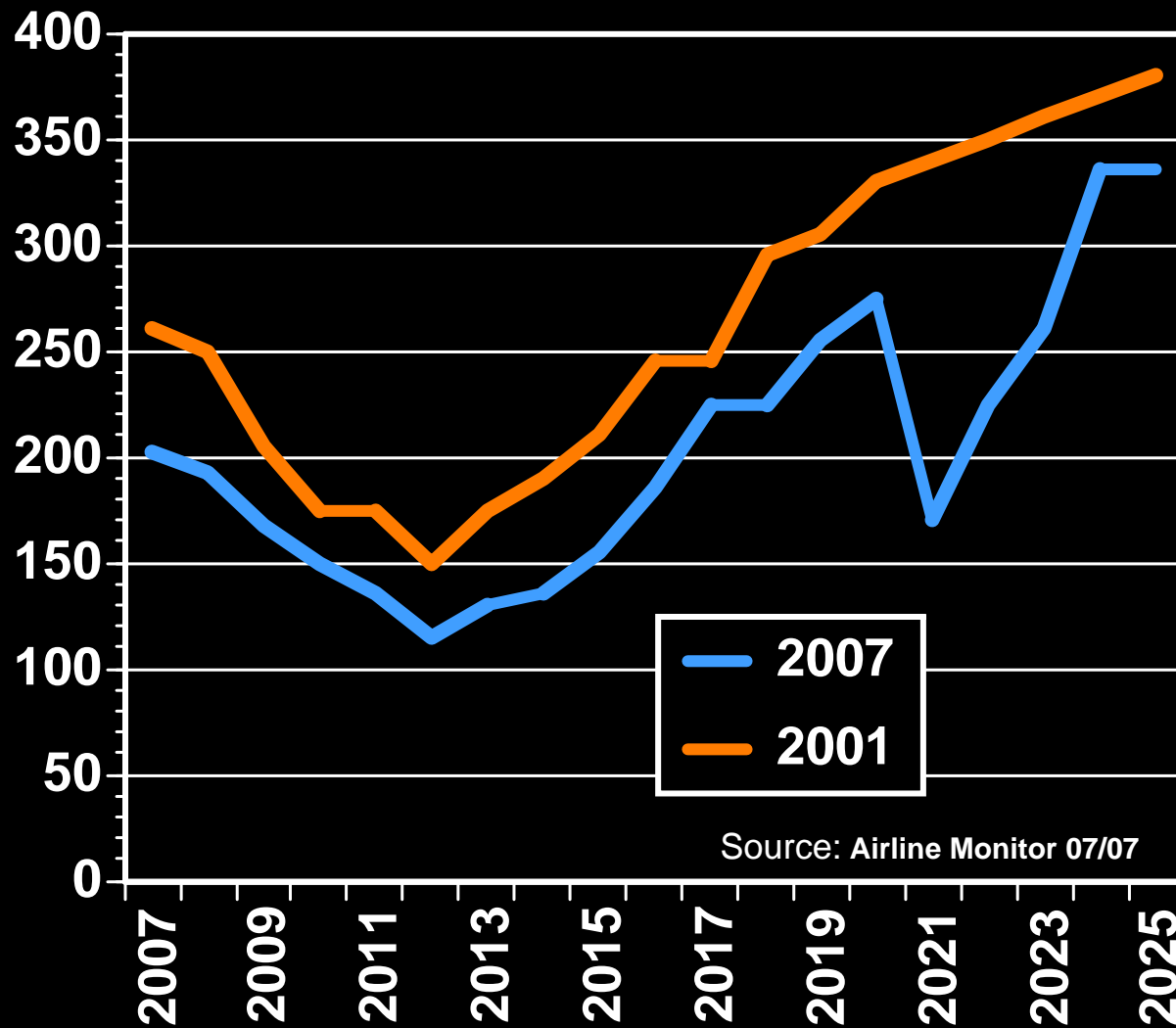
RPMs (Bils)



Pilots Per Aircraft U.S. Operators

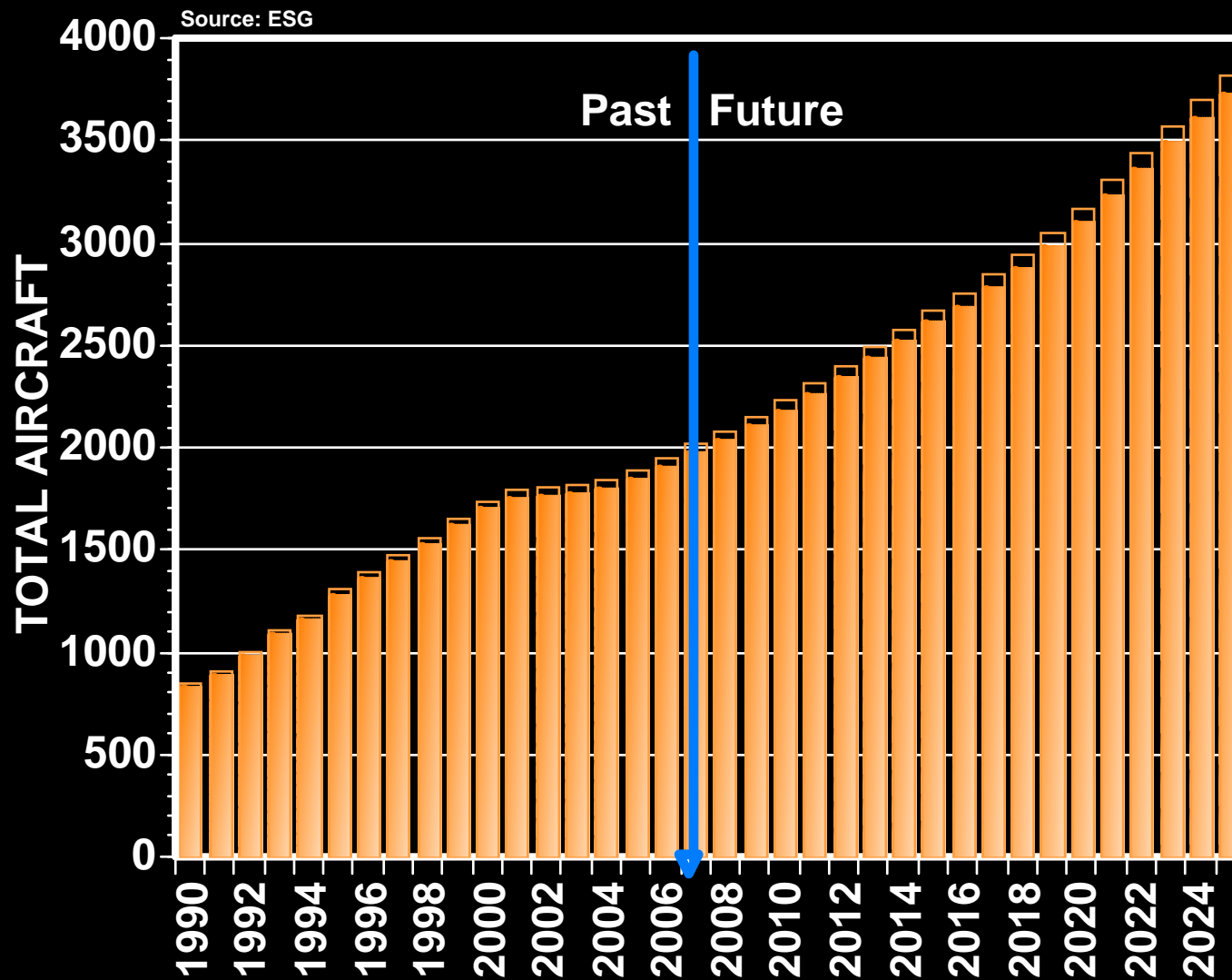


RJ Forecast 2007-2020, A/C Per Year

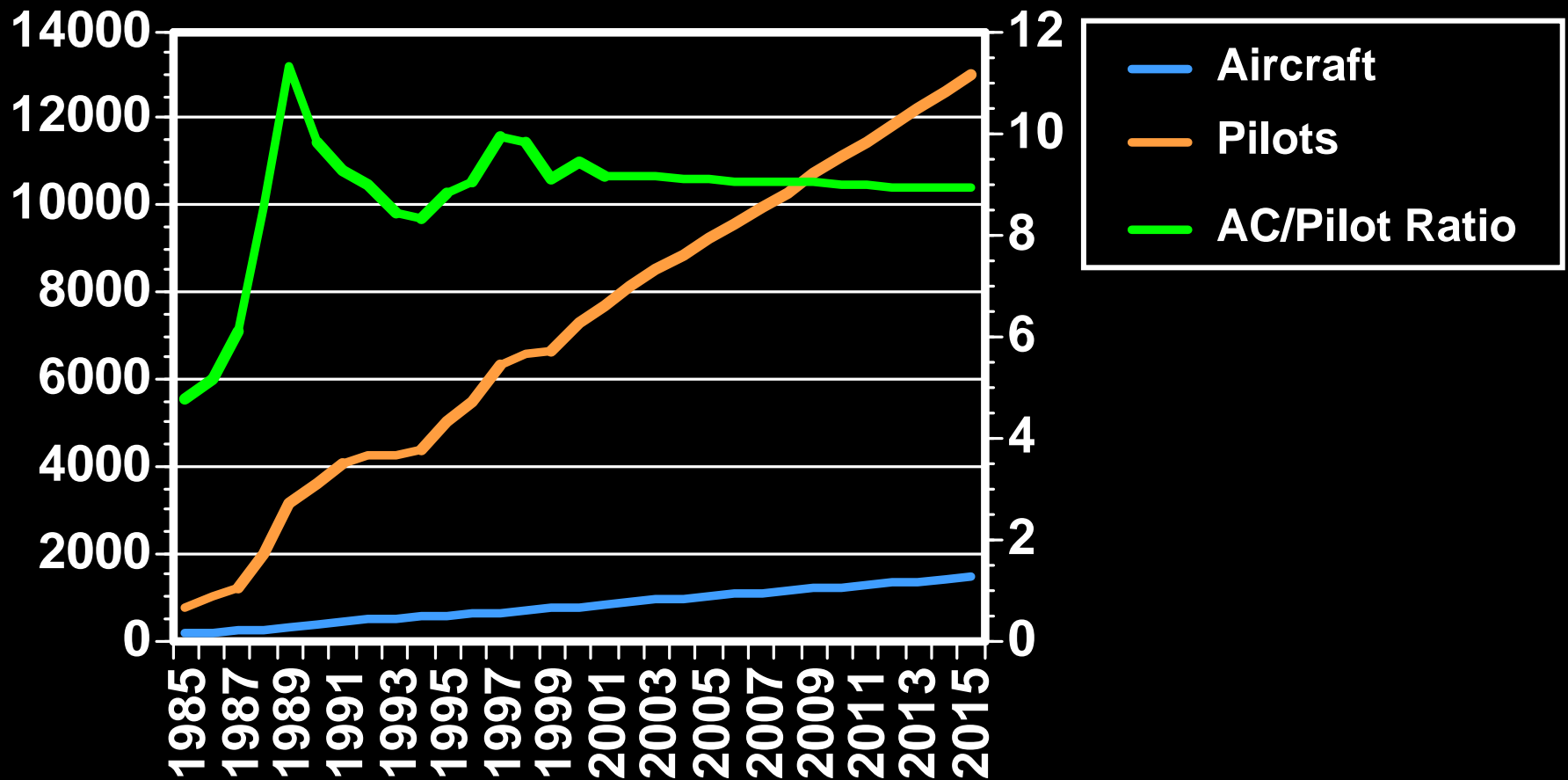


Source: Airline Monitor 07/07

World Freighter Jet Forecast 1994-2025



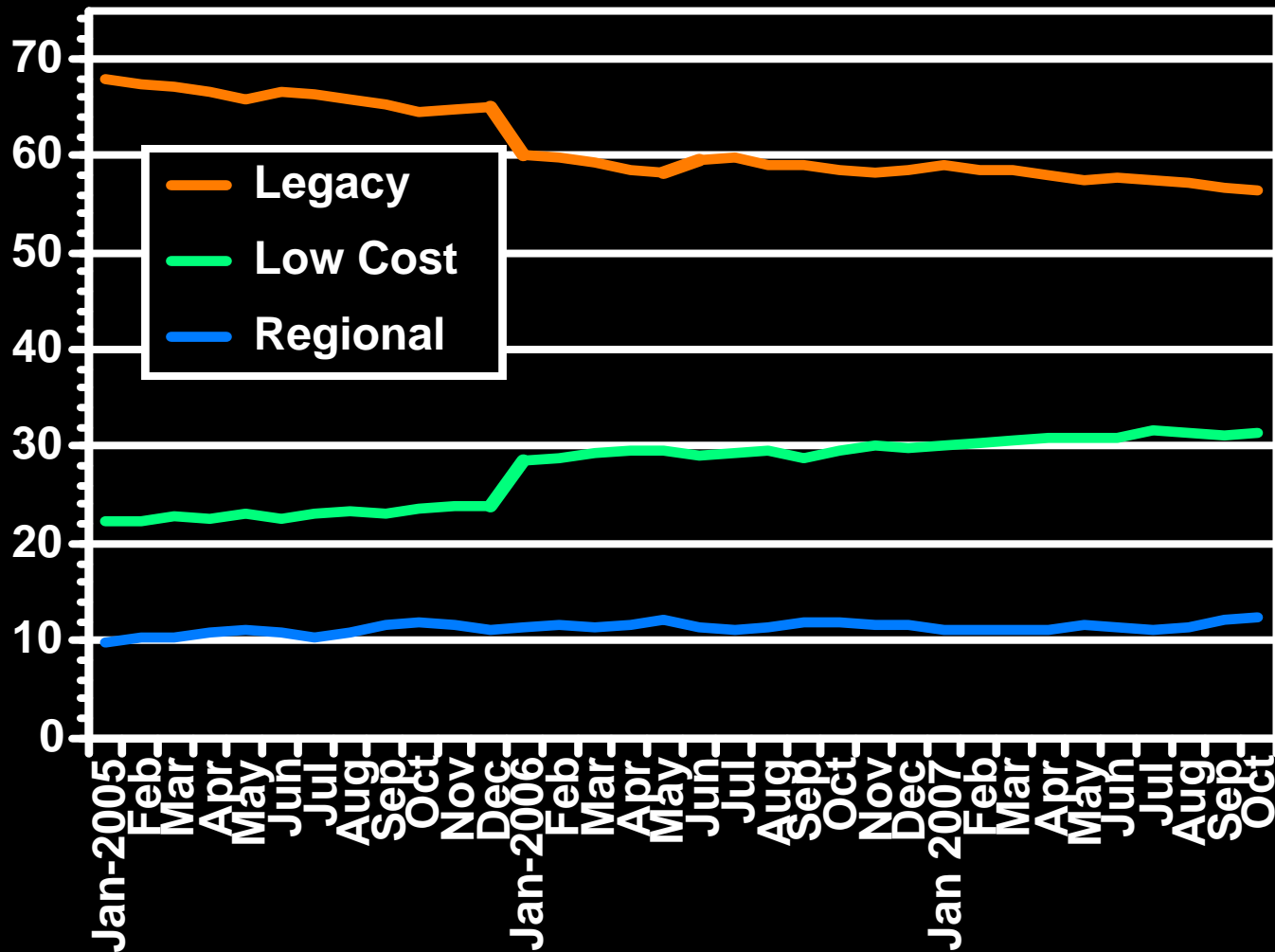
U.S. Major Cargo Airlines Pilot / Aircraft Ratio



Traffic Growth

- **Annual world traffic growth of 4.9%** expected through 2025.
- **U.S. traffic will grow an average of 3.6% / year** through 2025.
- **Regional RPMs to increase 5%** per year through 2025.
- **World FTKs to increase 6%** annually by 2025.
- **Traffic will be down 5% industry wide over the next 20 years as a result of 9/11, the Iraq War, & SARS.**

Traffic Share % RPMs



Pilot and Aircraft Utilization

- AC utilization is approximately 8.26 hours/day in the U.S.

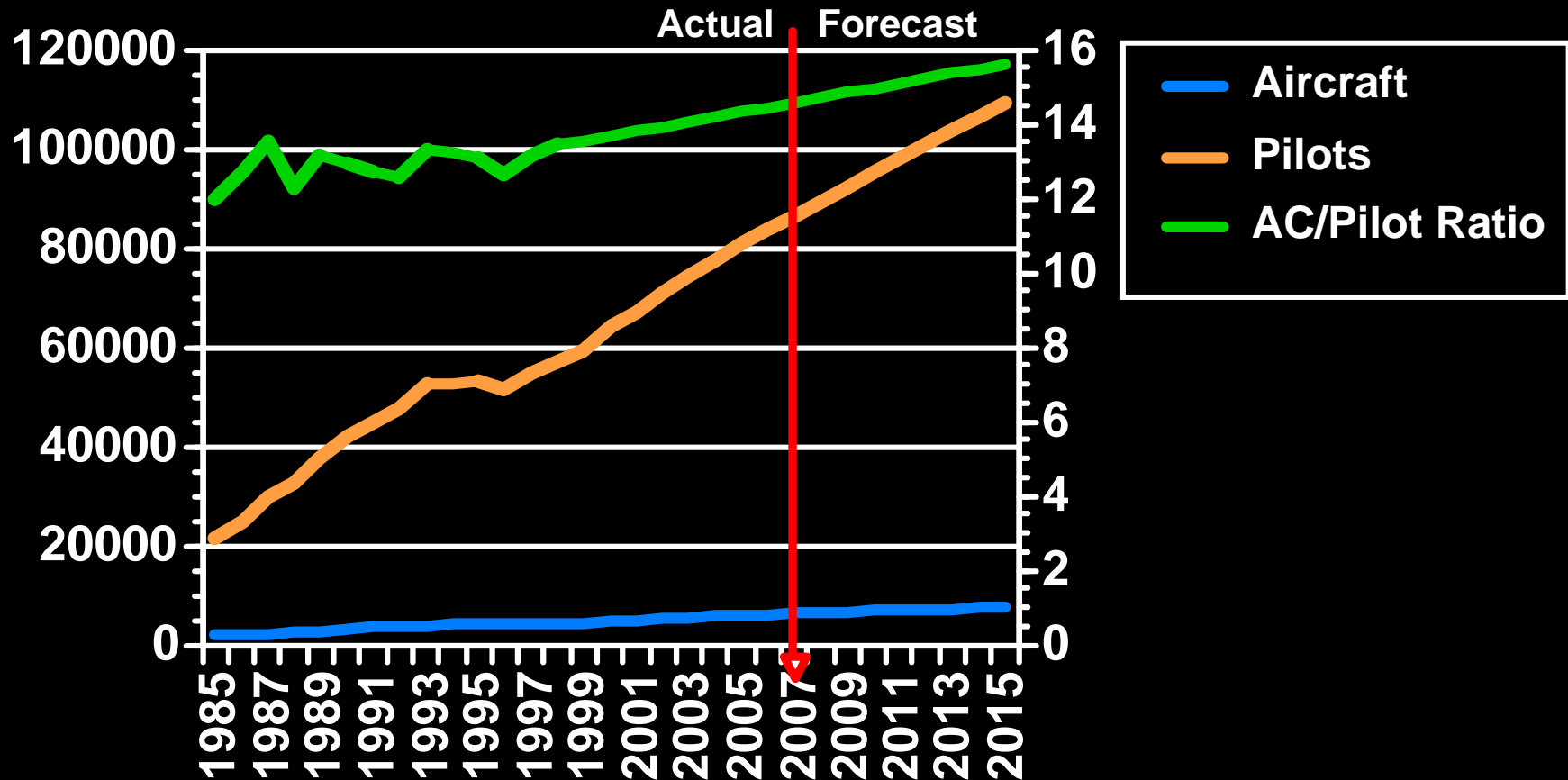
Older fleet type have been eliminated fast

- AC utilization expected to increase 8% annually over the next 20 years
- U.S. pilot productivity is nearing its maximum

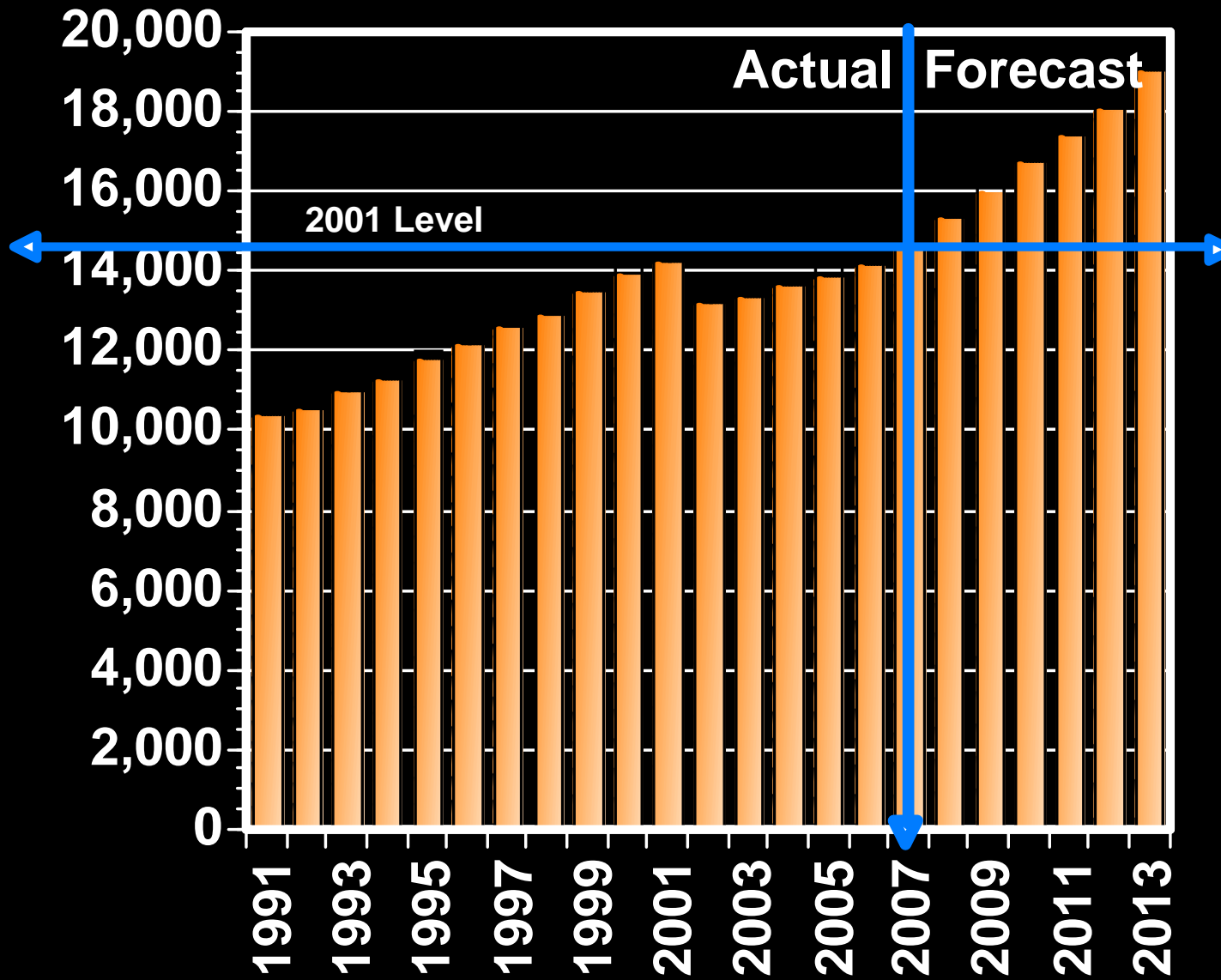
Pilot Utilization

- 15 days / month =
- 80 hours / month =
- 160 on-duty hours / month =
- 240-320 hours away from home / month

Total U.S. Major Passenger Airline Pilot to Aircraft Ratio

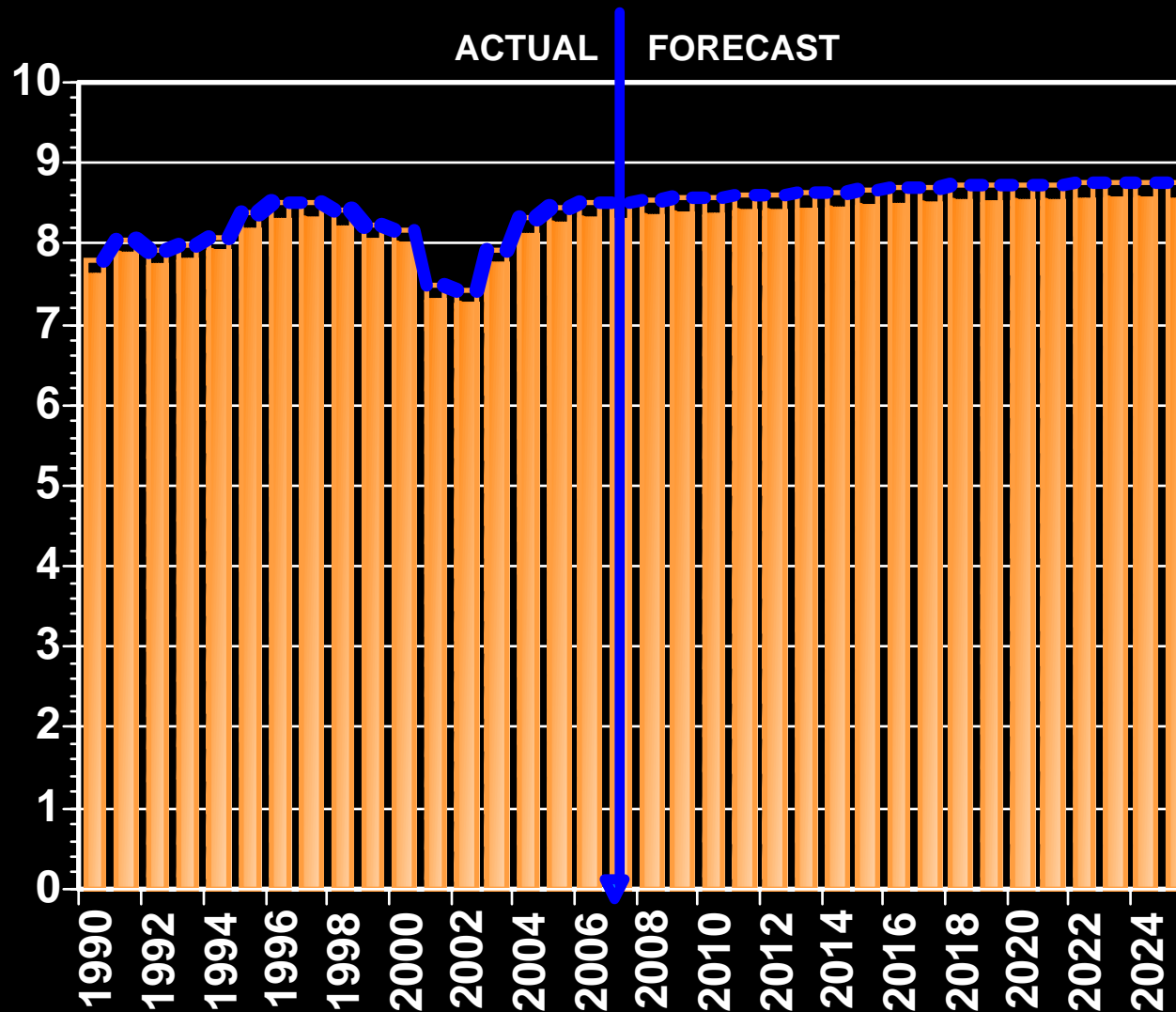


Total Hours In The Air



Source: FAA

Aircraft Utilization Hours / Day

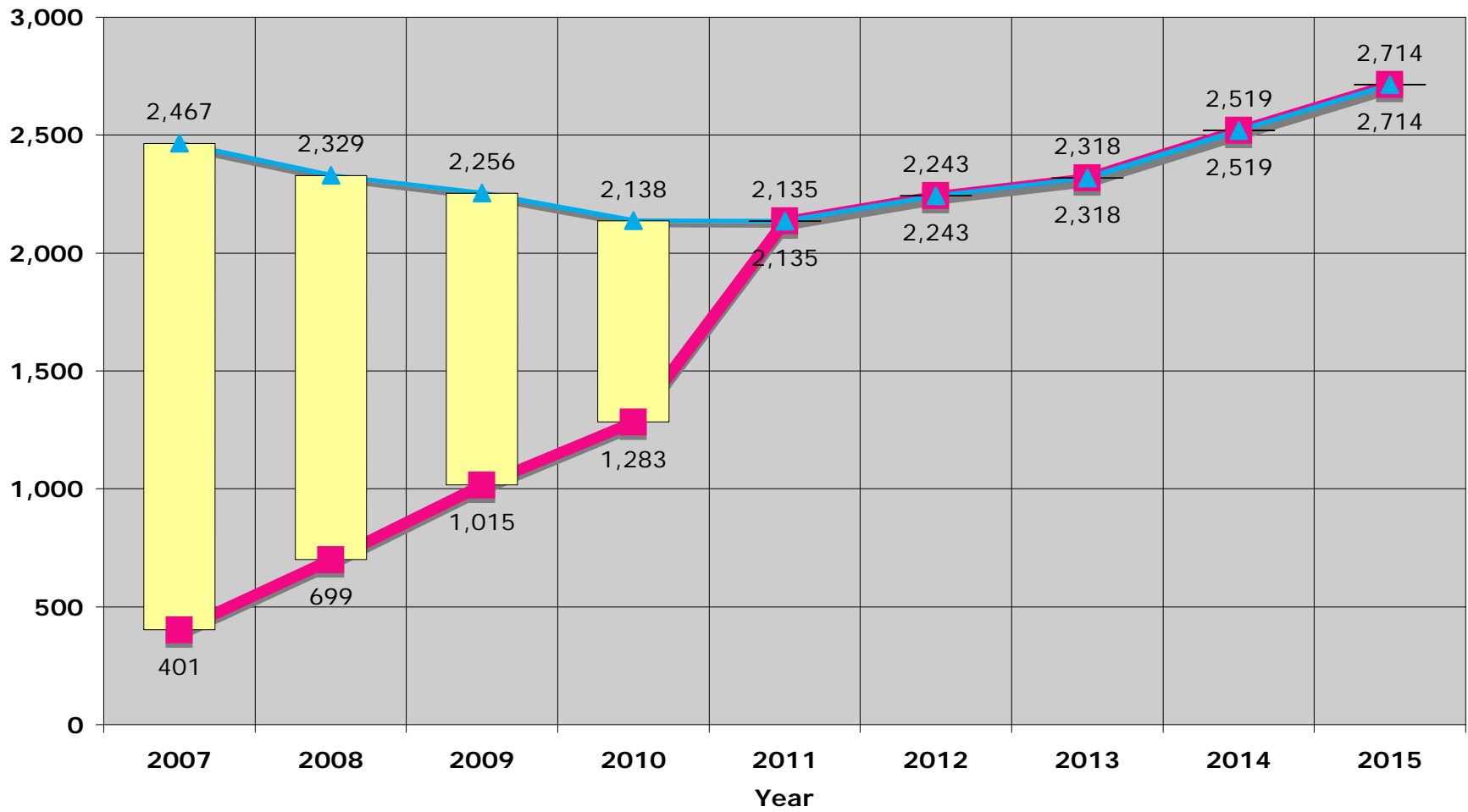


Pilot Retirements - Page 11

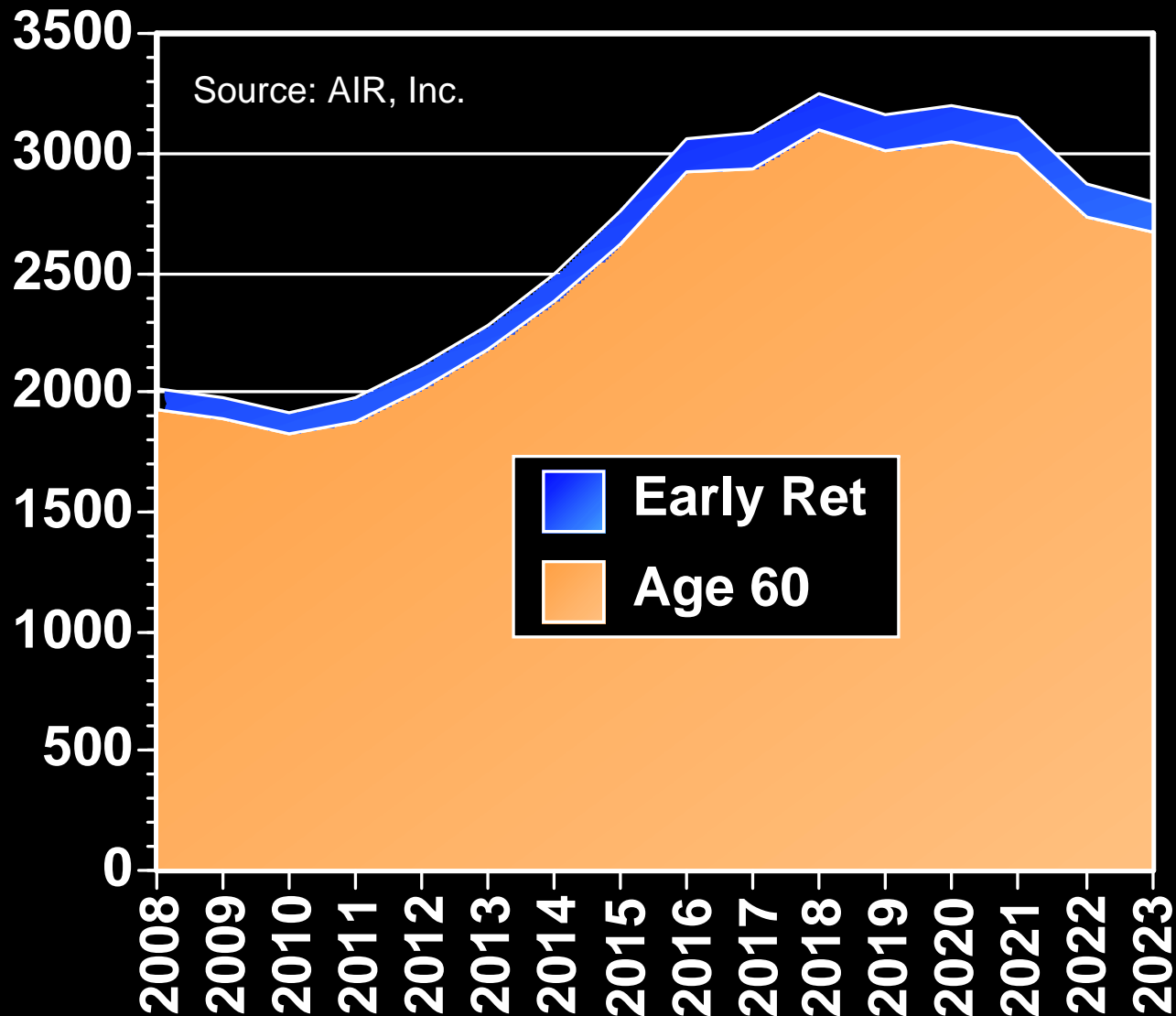
- Established airlines will retire 50% of their pilots by 2017 - 17% to 49%
- Very few pilots are flying past age 60 as FE
- **Changing the retirement age to 65** in 2007 will reduce retirements by at least 4,000 to 8,000 pilots over the next 5 years
- Majors would have retired 2,000 pilots each year. The other airlines add an additional 1,000 annually
- AIR, Inc. estimates that between 5,000 and 10,000 pilots will remain in the workforce over the next 5 years - thereafter annual retirements will be the same

Major Airline Retirements

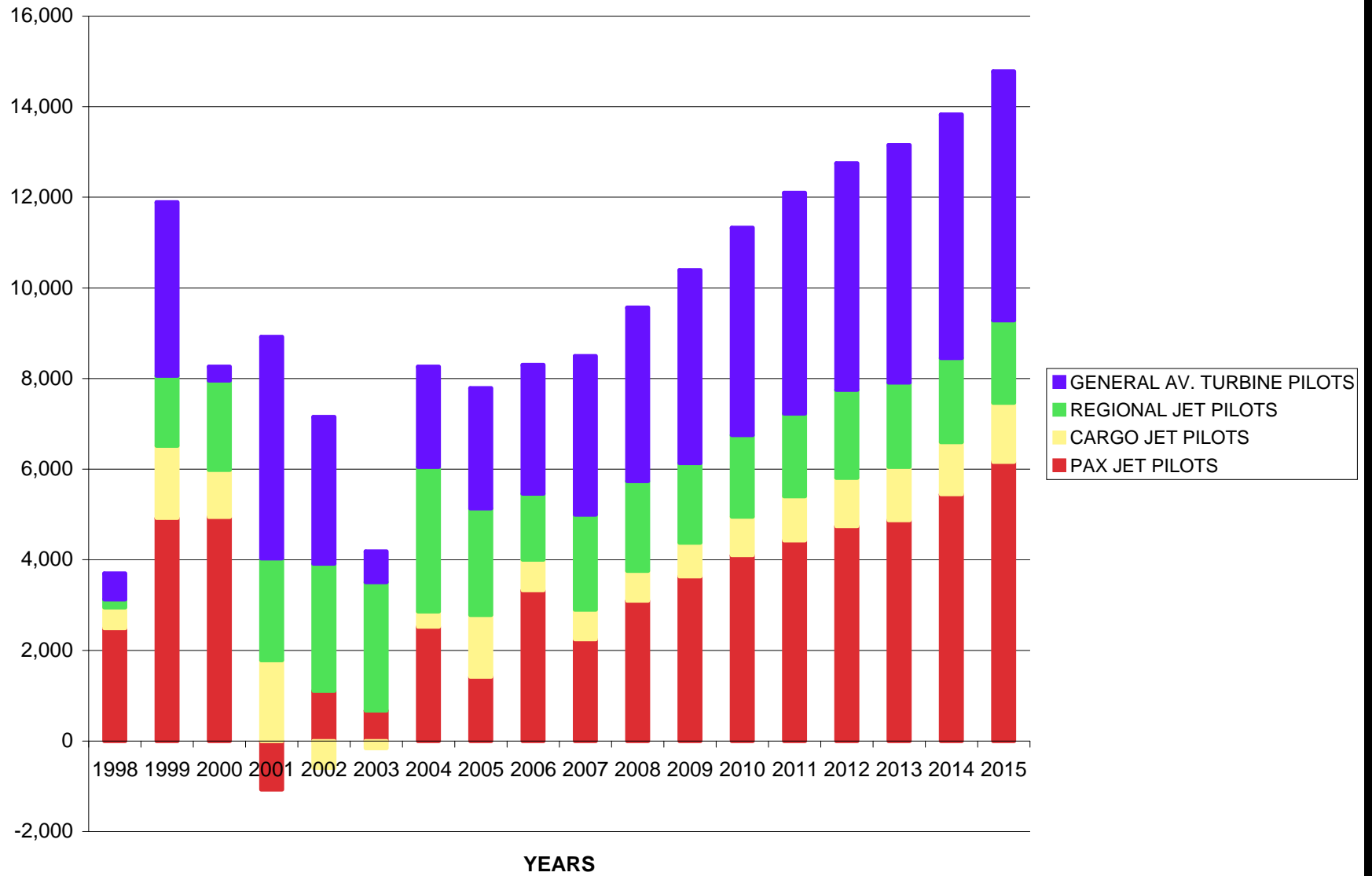
■ Age 65 Retirements ▲ Age 60 Retirements



U.S. Majors Annual Pilot Retirements 2008-2023



TOTAL PILOT DEMAND AGE 65 RETIREMENTS



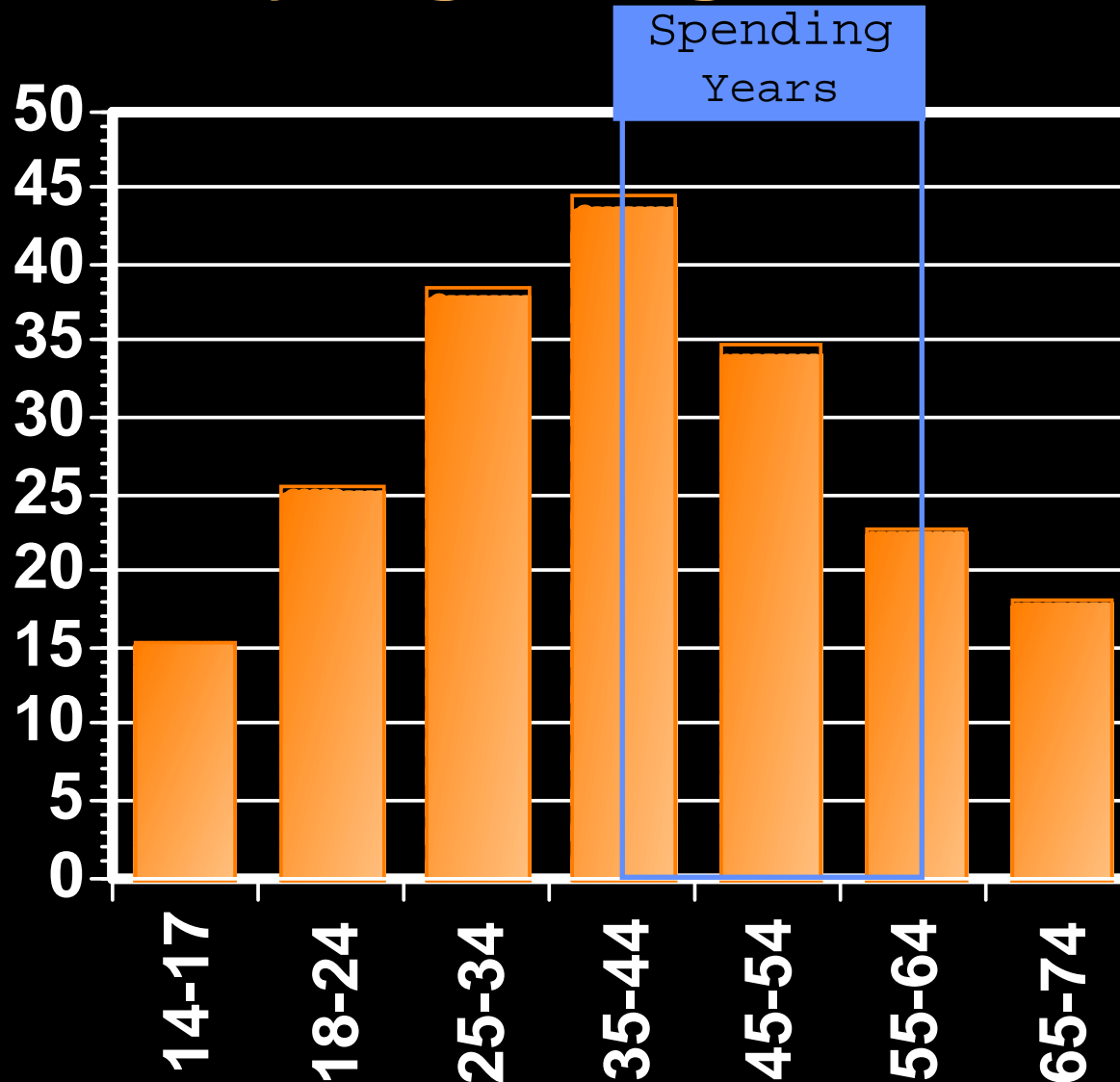
Work Rules

- **Future productivity gains will be small**
- **The FAA maximum is $1,000 / 12 = 83$ hours per month**

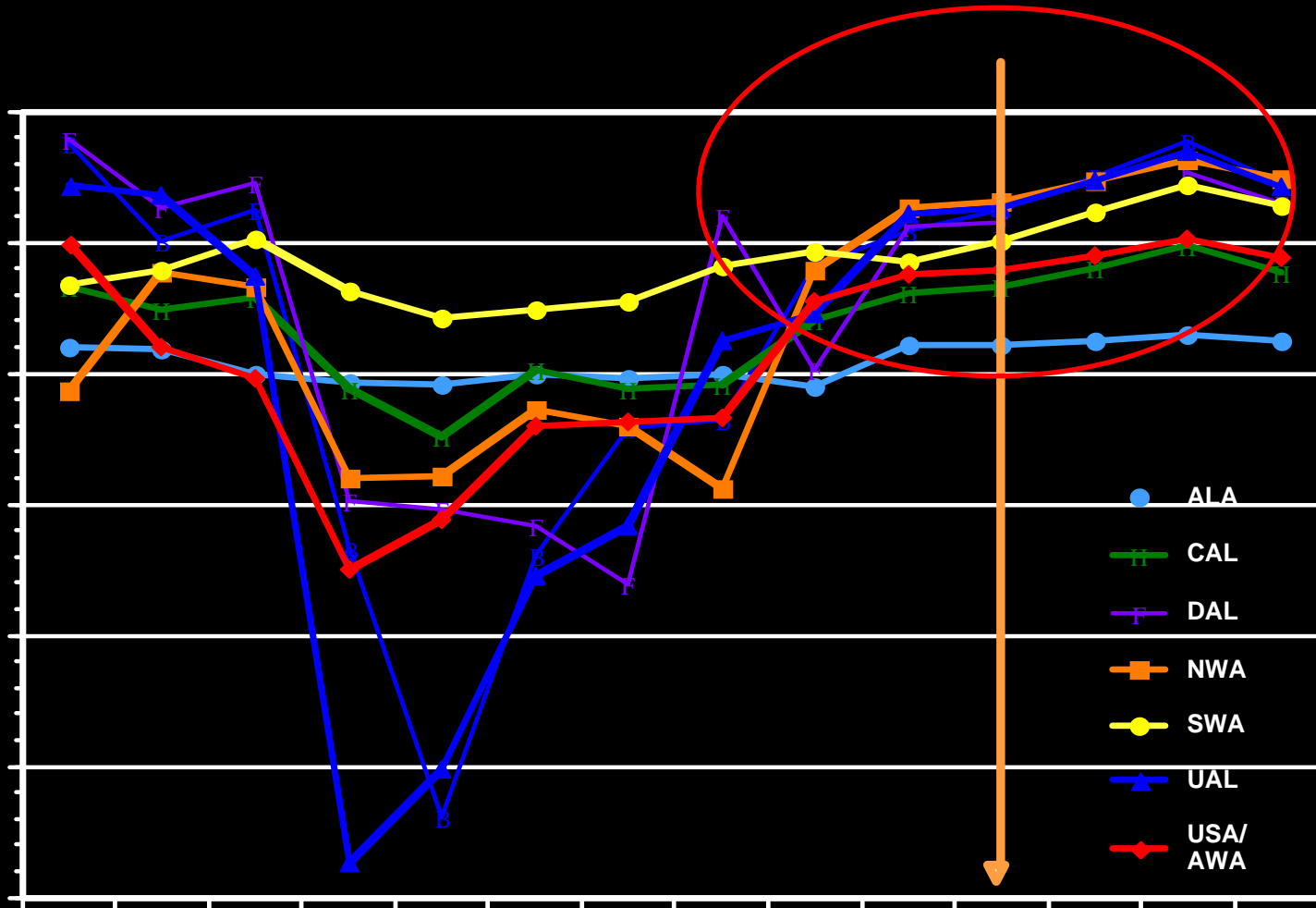
Consumer Demand

- **“Baby Boomers” are in their prime personal and business flying years – age 40-60**
- **Tourism is expected to grow 5.9% annually through 2006**

% of Total Population By Age Segment

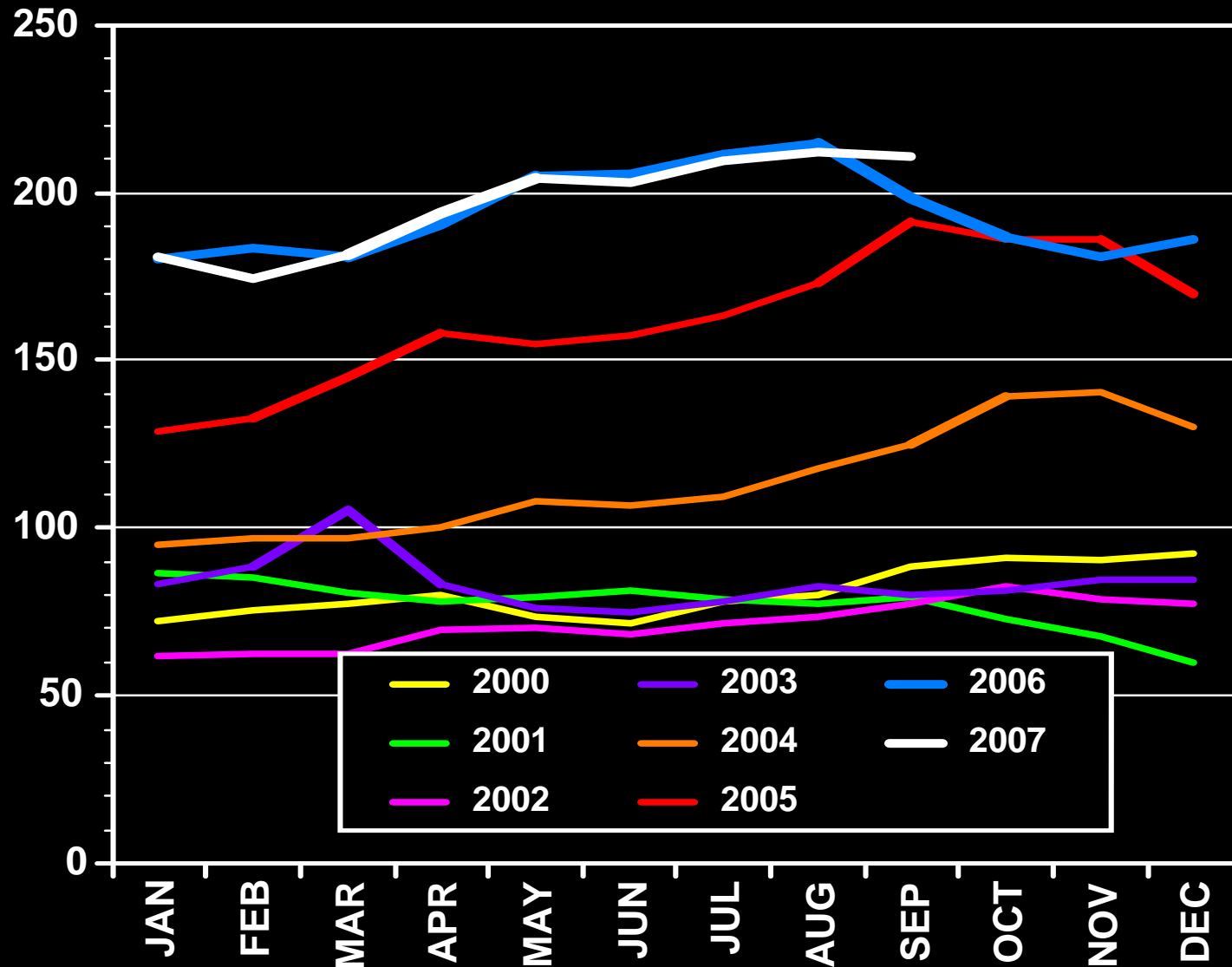


Major Airlines Op Income Forecast 1998-2011E

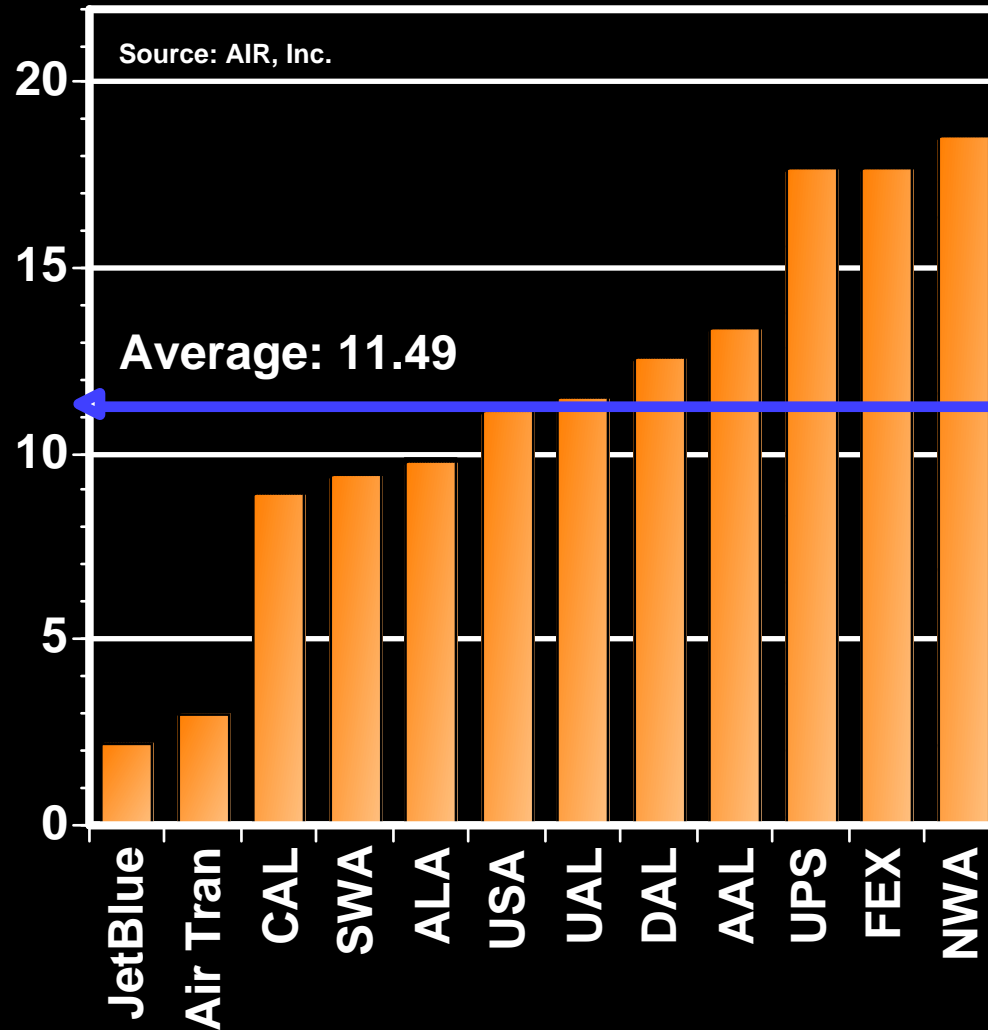


Fuel Price 2000-2007

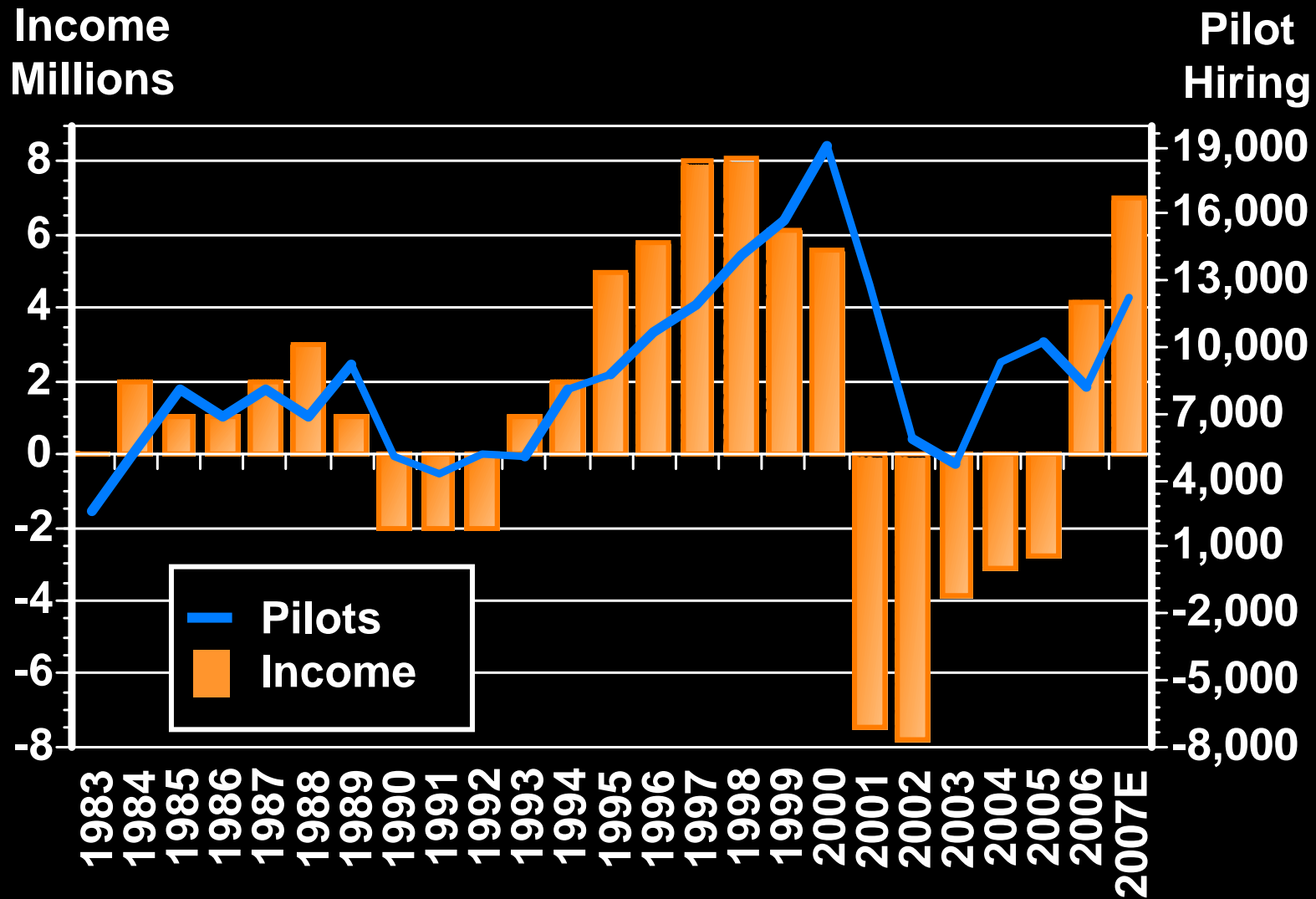
Cents Per Gallon



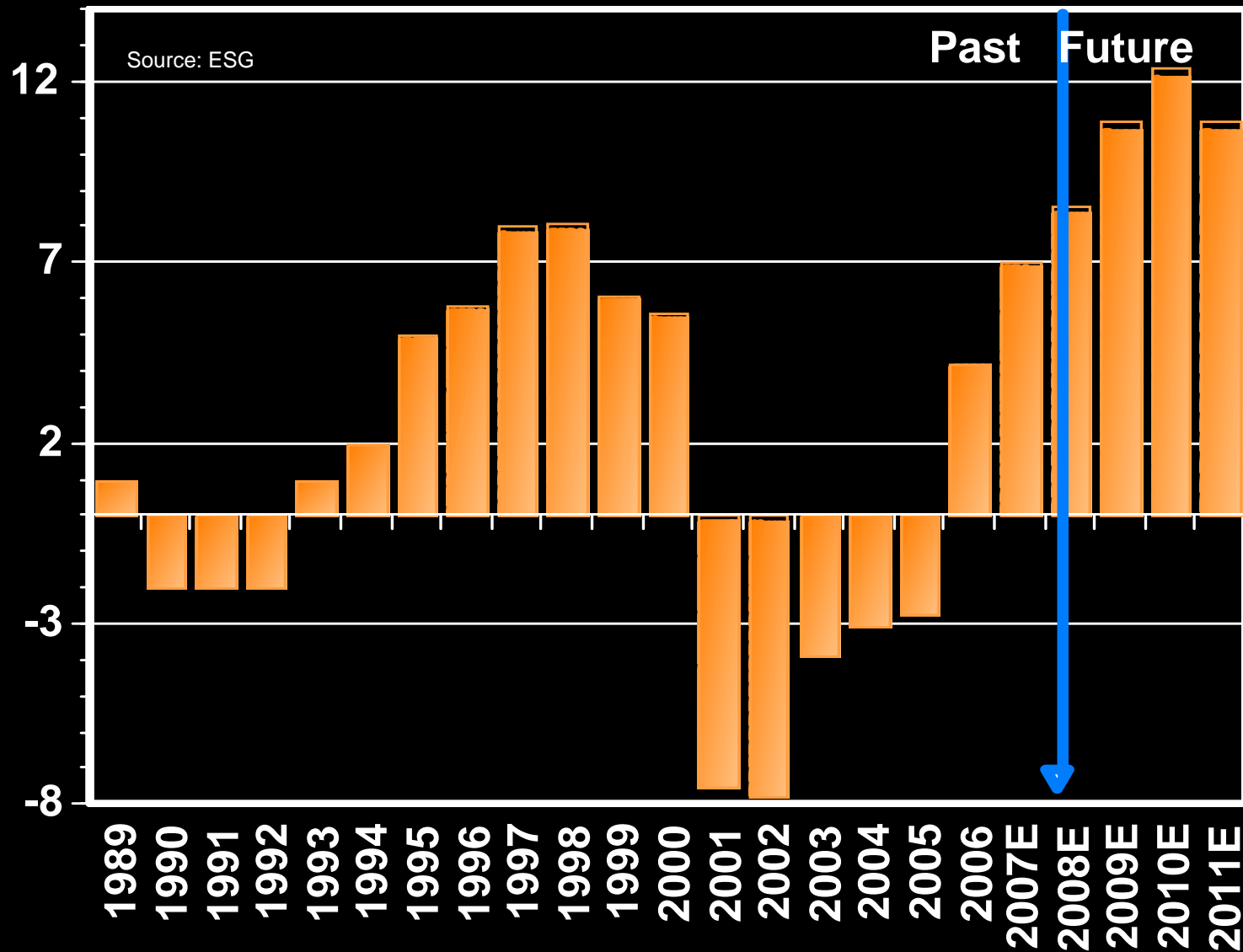
U.S. Major Airlines Average Fleet Age



Income Vs. Hiring 1983-2007



Majors' Profits in Billions \$, '89-'11E



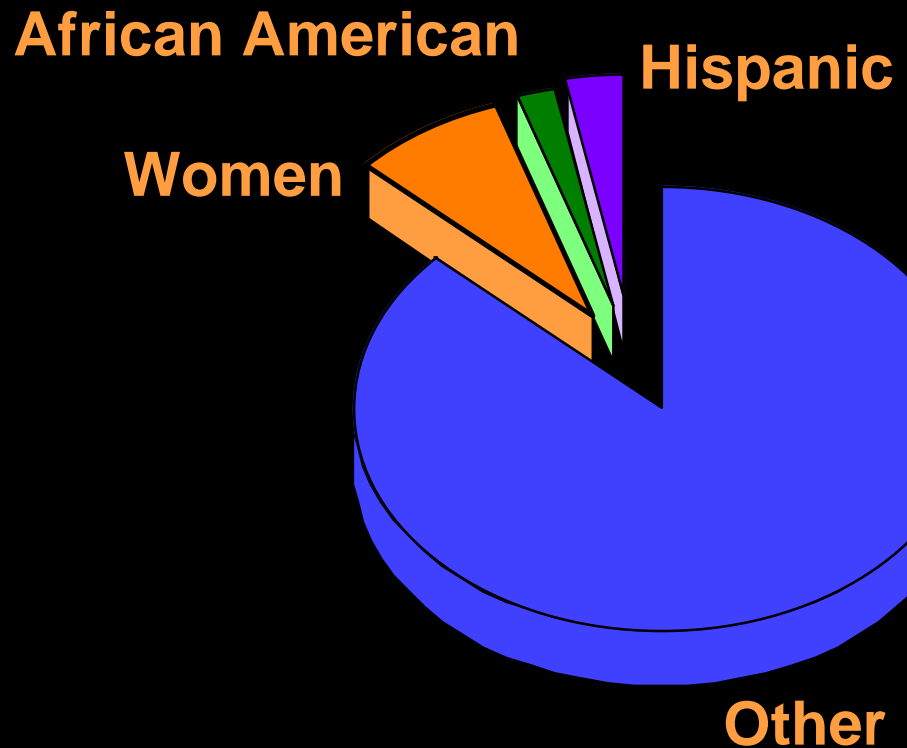
US Pilot Qualifications



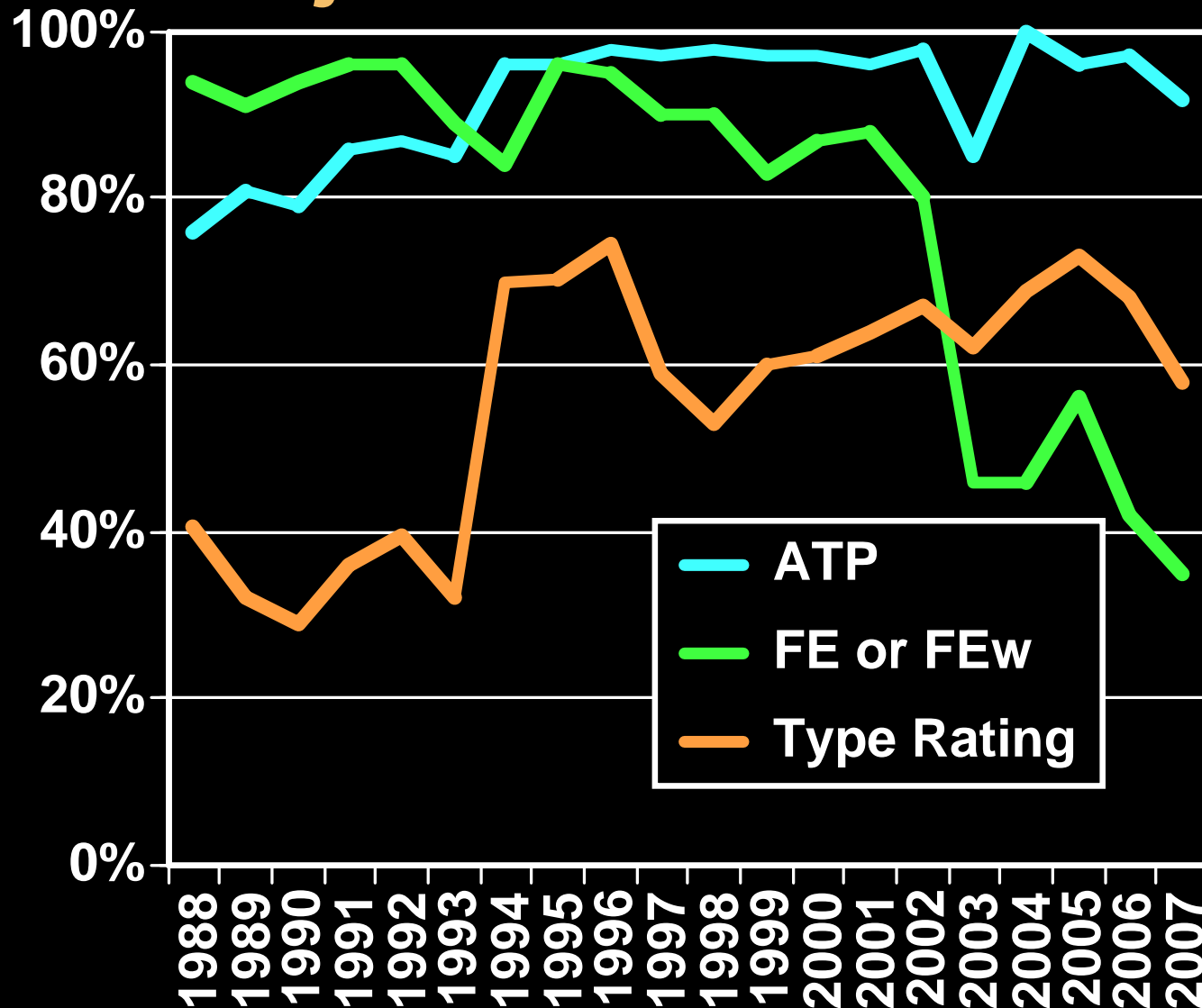
Competitive Qualifications

Minorities

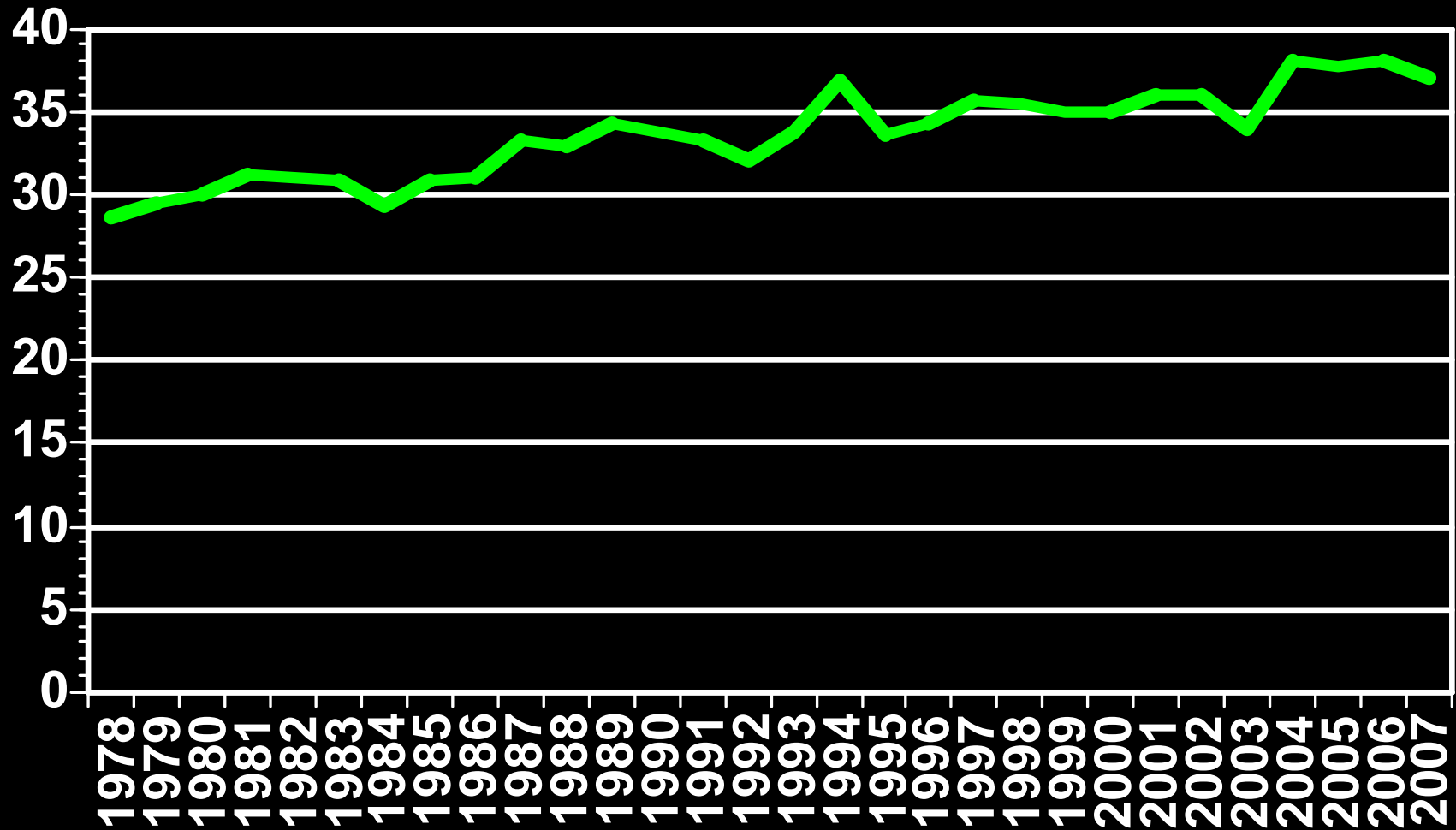
- 0 - 20% Women – average 16%
- 2% African American
- 3% Hispanic



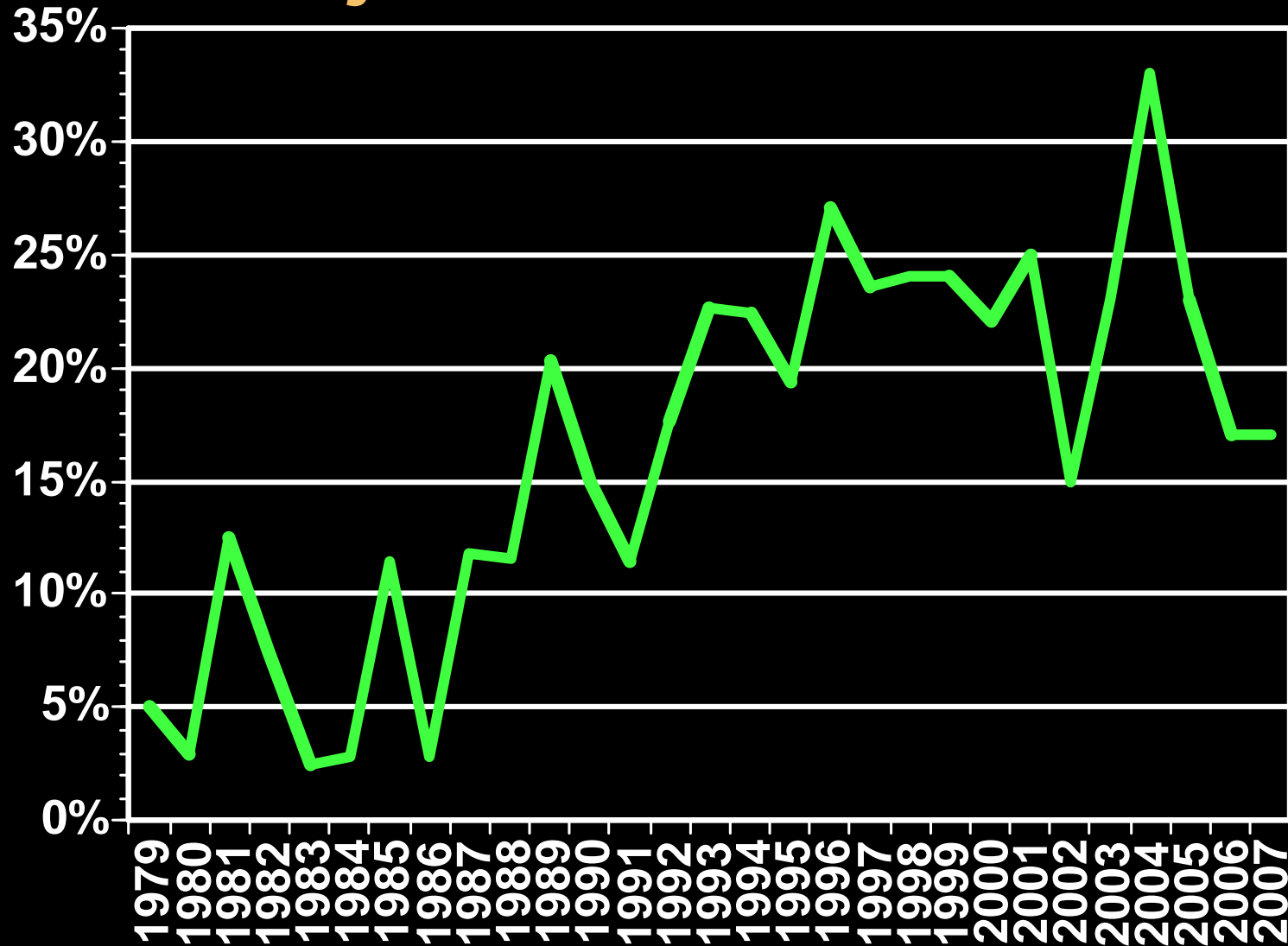
% Total w/ ATP / FE / FEw Major Airlines '88 - '07



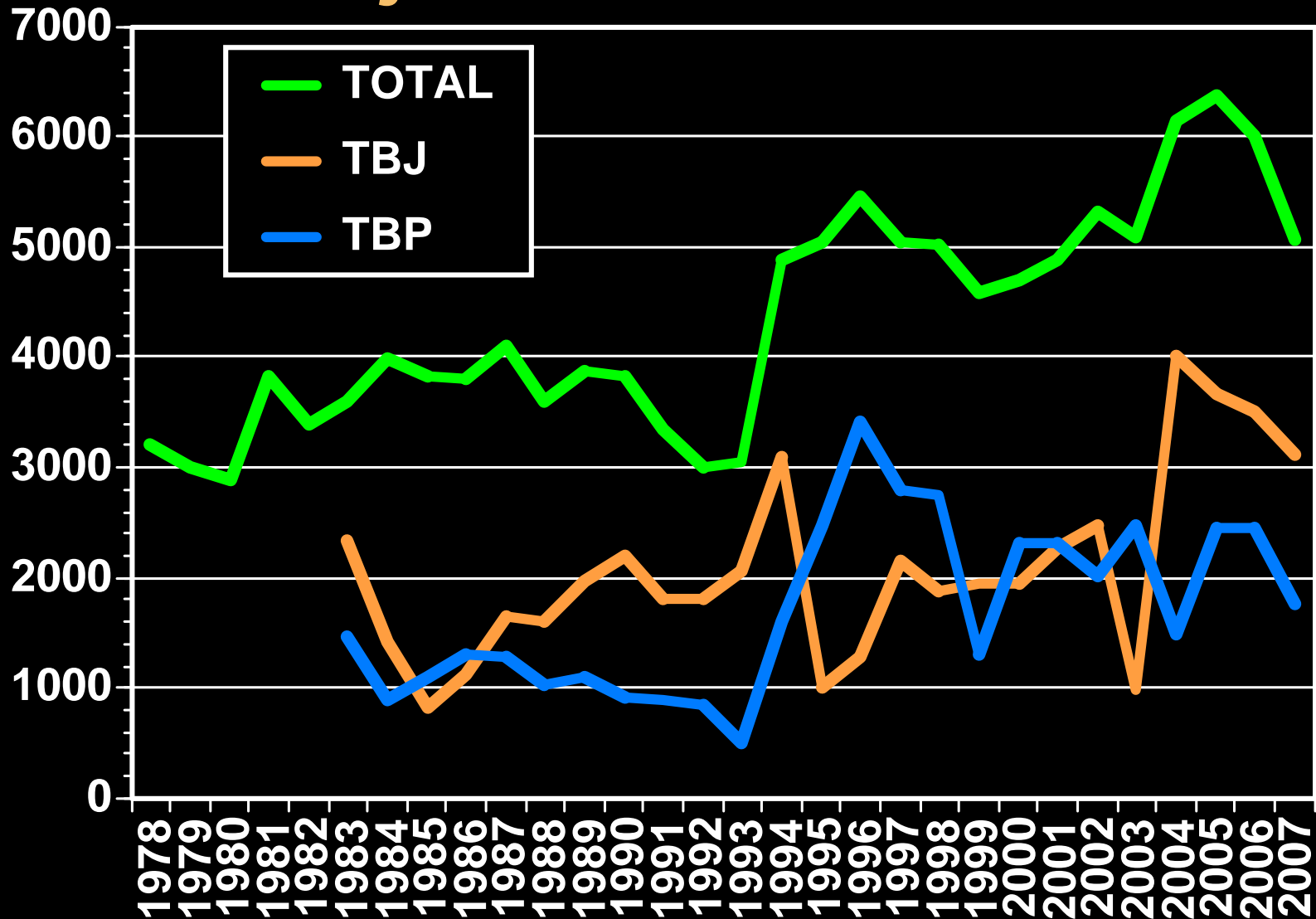
Average Age Major Airlines '78 - '07



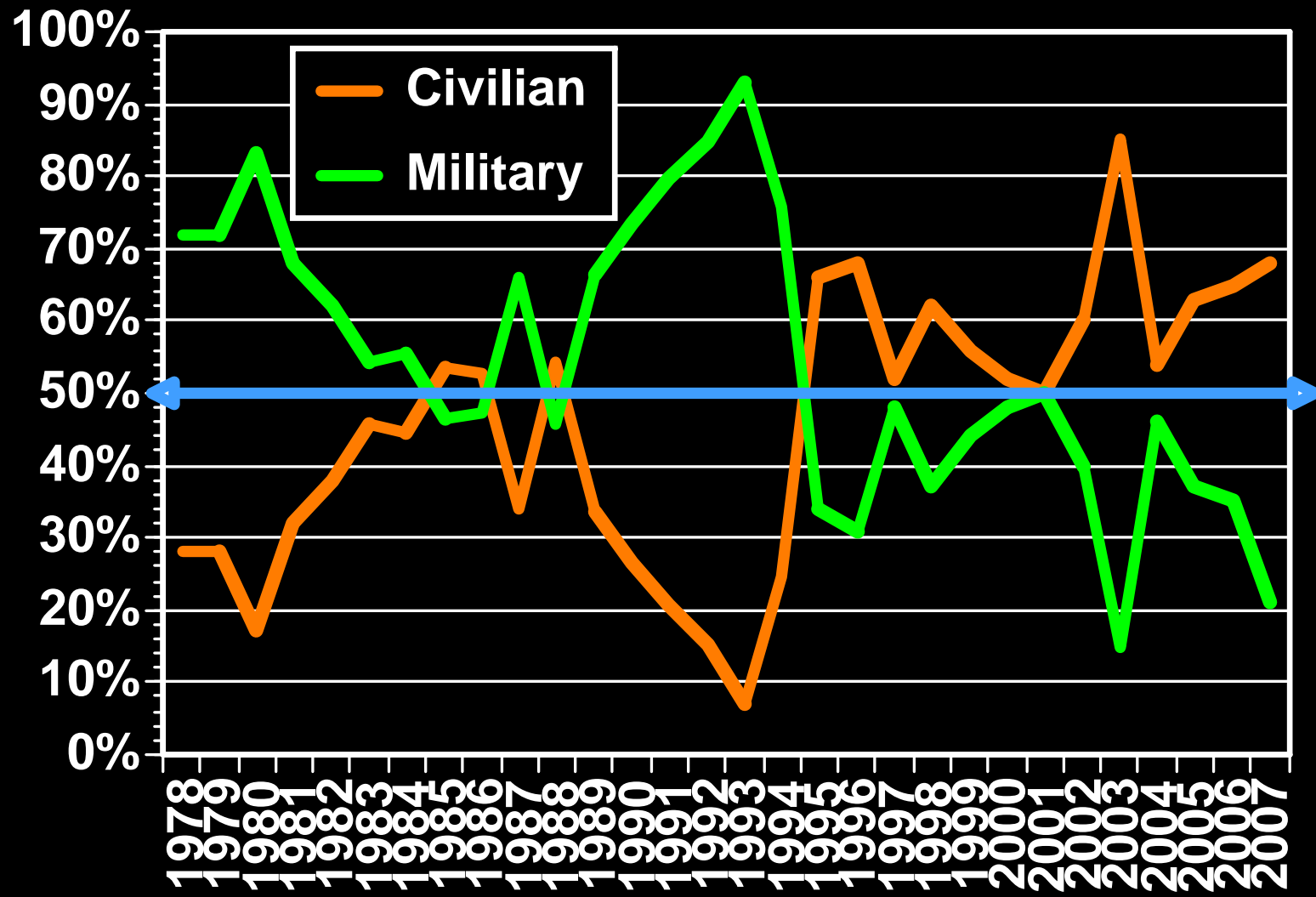
% Vision Less Than 20/20 Major Airlines '79 - '07



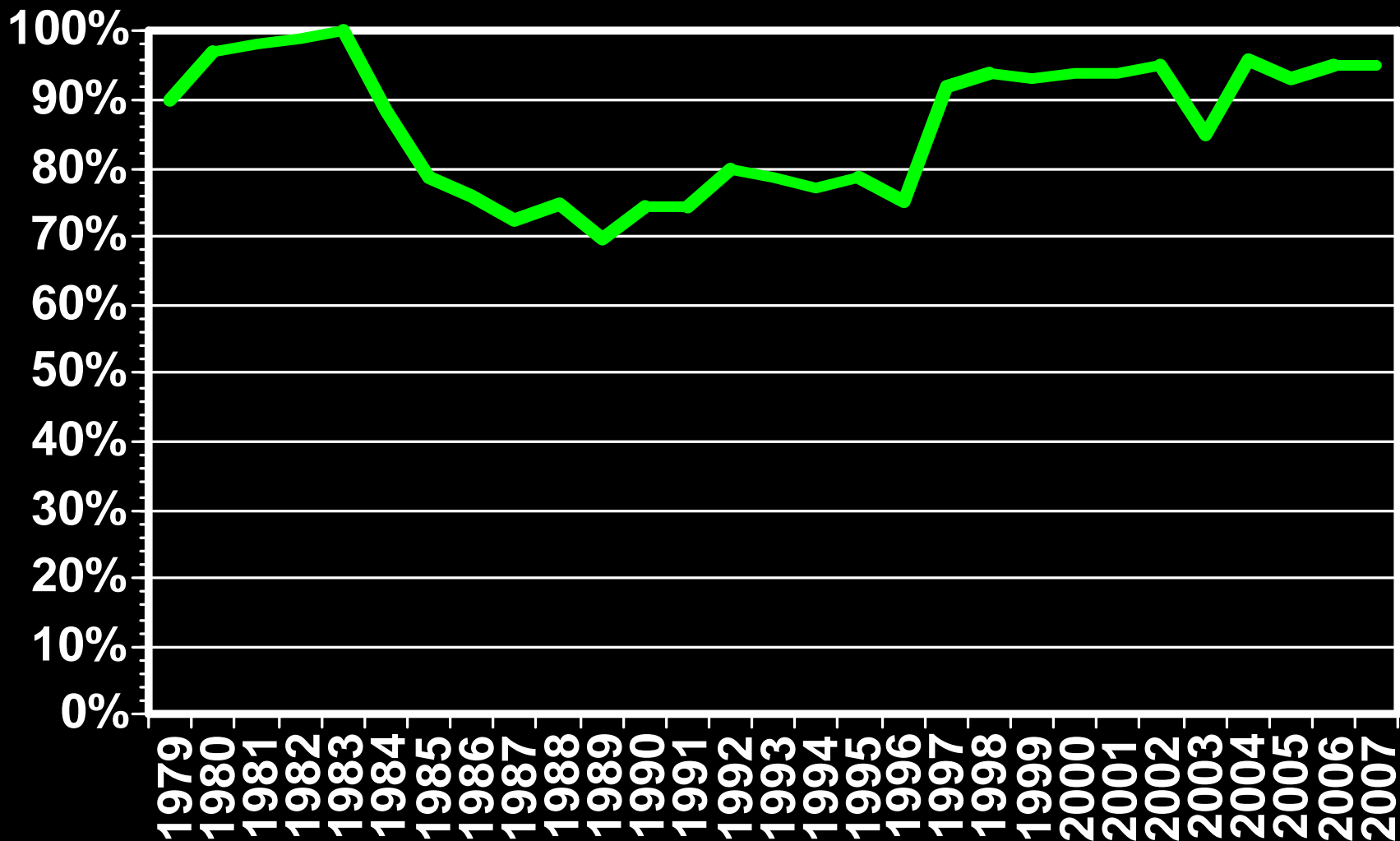
Average Flight Time Major Airlines '78 - '07



Civilian vs. Military Major Airlines '78 - '07



% With Four-Year Degrees Major Airlines '79 - '07





Foreign Flying

- **Most western European carriers did not hire U.S. pilots - now they do!**
- **Immigration with the right-to-work is difficult or impossible**
- **Pilot hiring and training procedures are very different**

Crew Leasing

- **Most are based in US, Europe, and Asia**
- **Most crew for carriers based in Asia, the Middle and Far East**
- **Now Hire FAA licensed pilots**
- **Pilots must meet the requirements of the contracting carrier & country**

Foreign Flying & Crew Leasing Requirements

- **High time in seat**
- **Large and/or heavy transport experience**
- **Increased demand starting to lower time in type and currency requirements**
- **Smaller aircraft types are now common - B-737, A-320, ATR's, ERJ's, and CRJ's**

Corporate Flying

18,161 Pilots / 14,079 AC

- **Corporate jobs are harder to obtain**
- **Who you know really counts**
- **Recommendations are a must**
- **The network is critical to getting most corporate jobs**

6 Fractional Operators

4,265 Pilots / 788 Aircraft

4 Hiring - 54 Pilots Hired in DEC

620 in 2007 (15%)

674 in 2006 (16%)

816 in 2005 (24%)

482 in 2004 (11%)

198 in 2003 (5%)

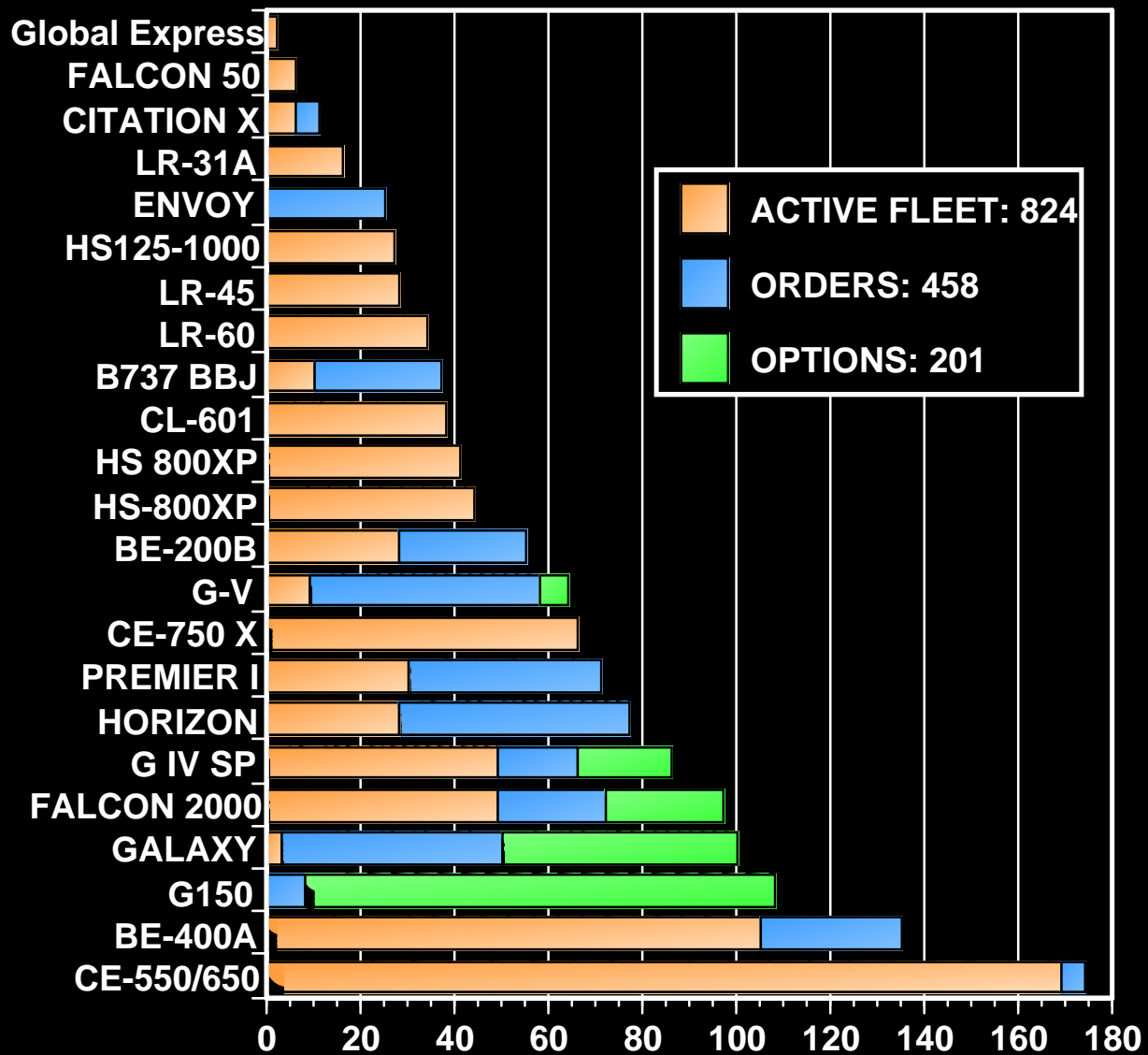
997 in 2002 (24%)

0 on Furlough

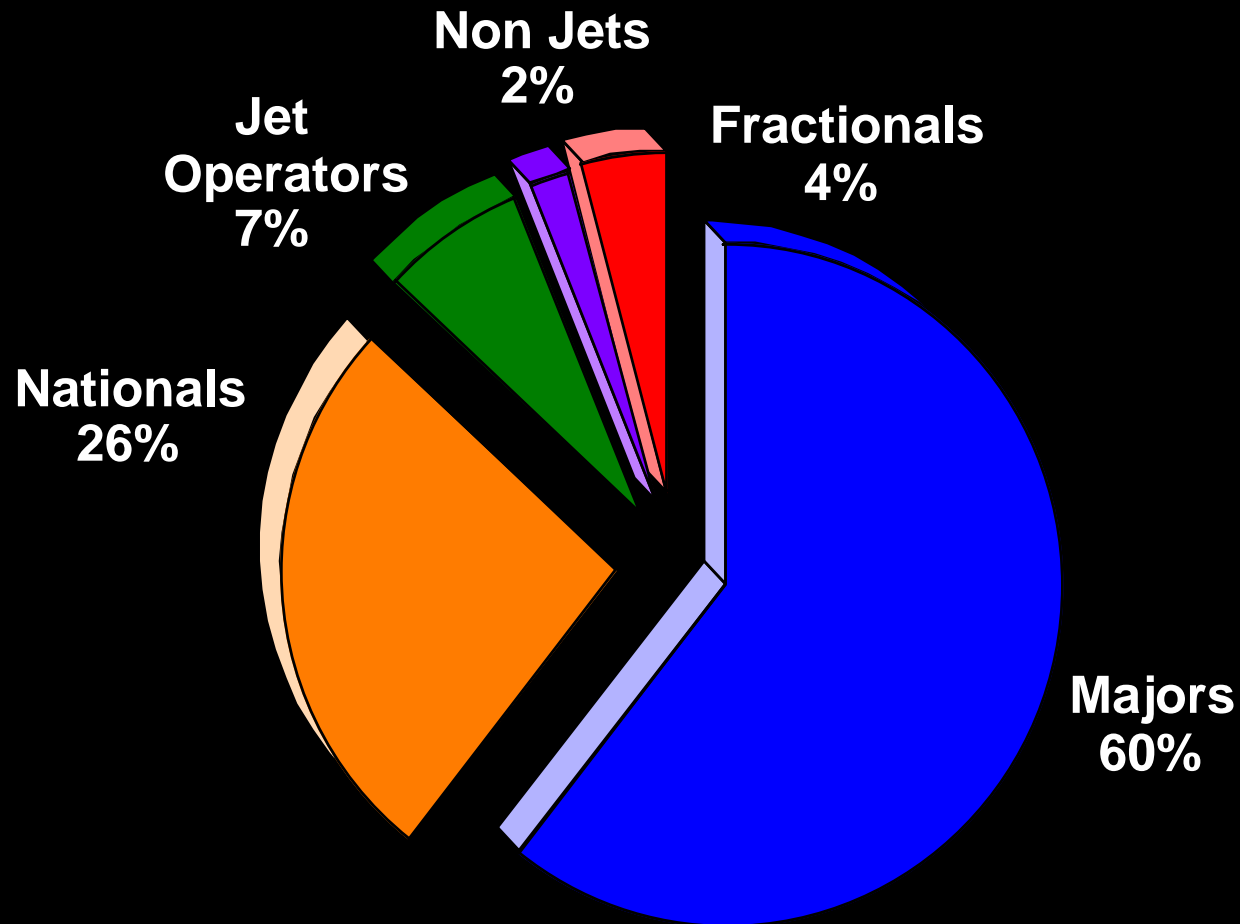
Fractional Operators

- **Minimum Requirements:** depends on company
- **Total time:** 1,500-2,500 Competitive: 5,000 hours
- **PIC:** 750 hours
- **Multi-engine:** 500 - 1500 hours
- **Turbine Time:** 500-1,500 hours
- **Other:** ATP, Class I, 6 mos currency, 4-yr degree

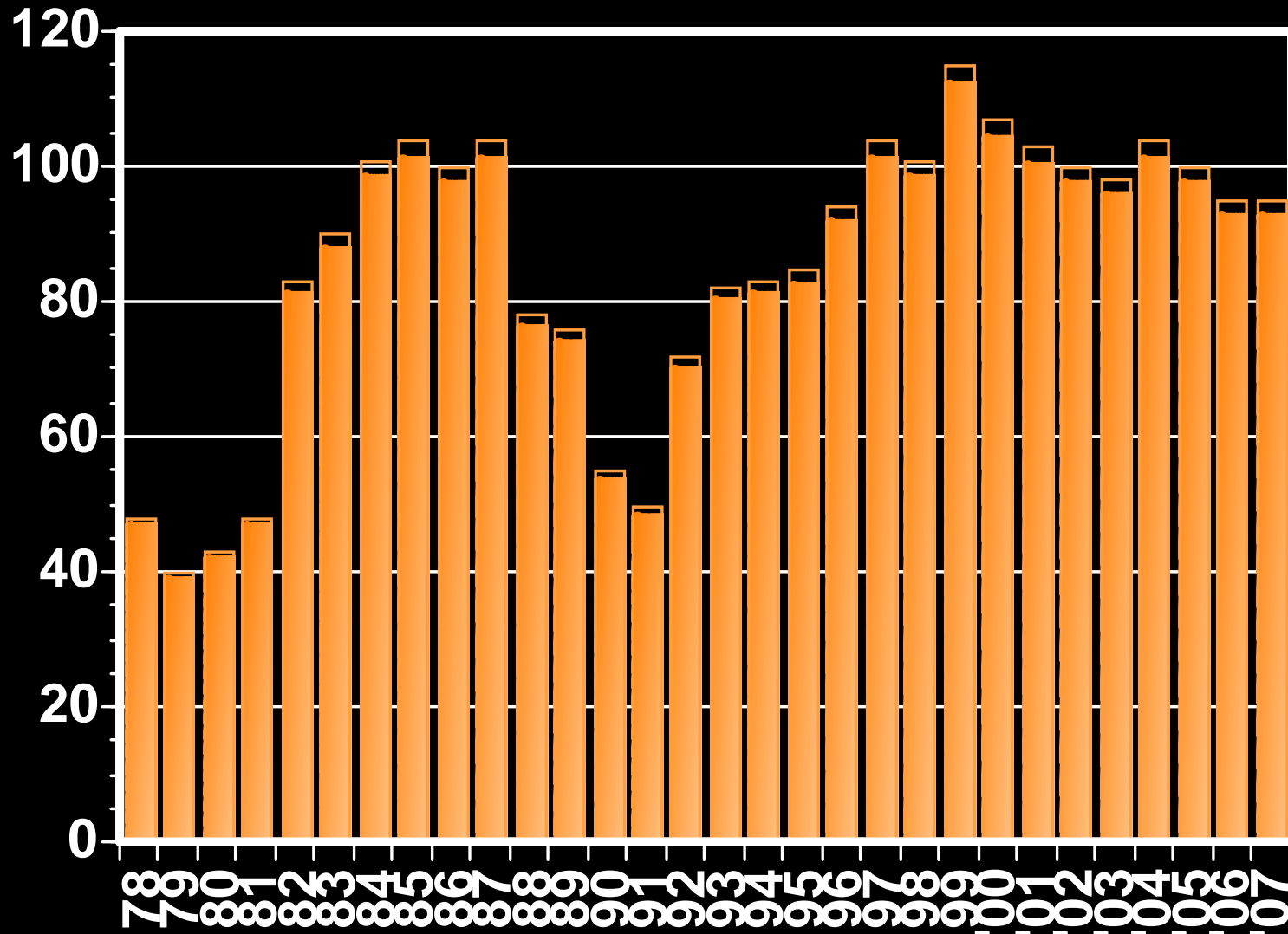
Fractional Operators' Jet Fleet



U.S. Airline Pilot Distribution



U.S. Jet Airlines 1978 - 2007



7 New Entrants

9 Pilots / 7 Aircraft

- **The conversion to a low-cost market did not happen in the 80's**
- **New entrants have had a real impact on post 9/11 market**
- **Only 4% of total RPMs**
- **Total discount carriers are 24%**

New Entrants Requirements

- **Older pilot**
- **High flight time in transport category AC**
- **Type rated in fleet with experience**
- **Current and qualified within 1-2 years**

43 Non-Jet Operators

2,993 Pilots / 1,196 AC

22 Hiring - 181 Pilots Hired in FEB

1184 in 2007 (39%)

918 in 2006 (28%)

1,480 in 2005 (53%)

1,446 in 2004 (44%)

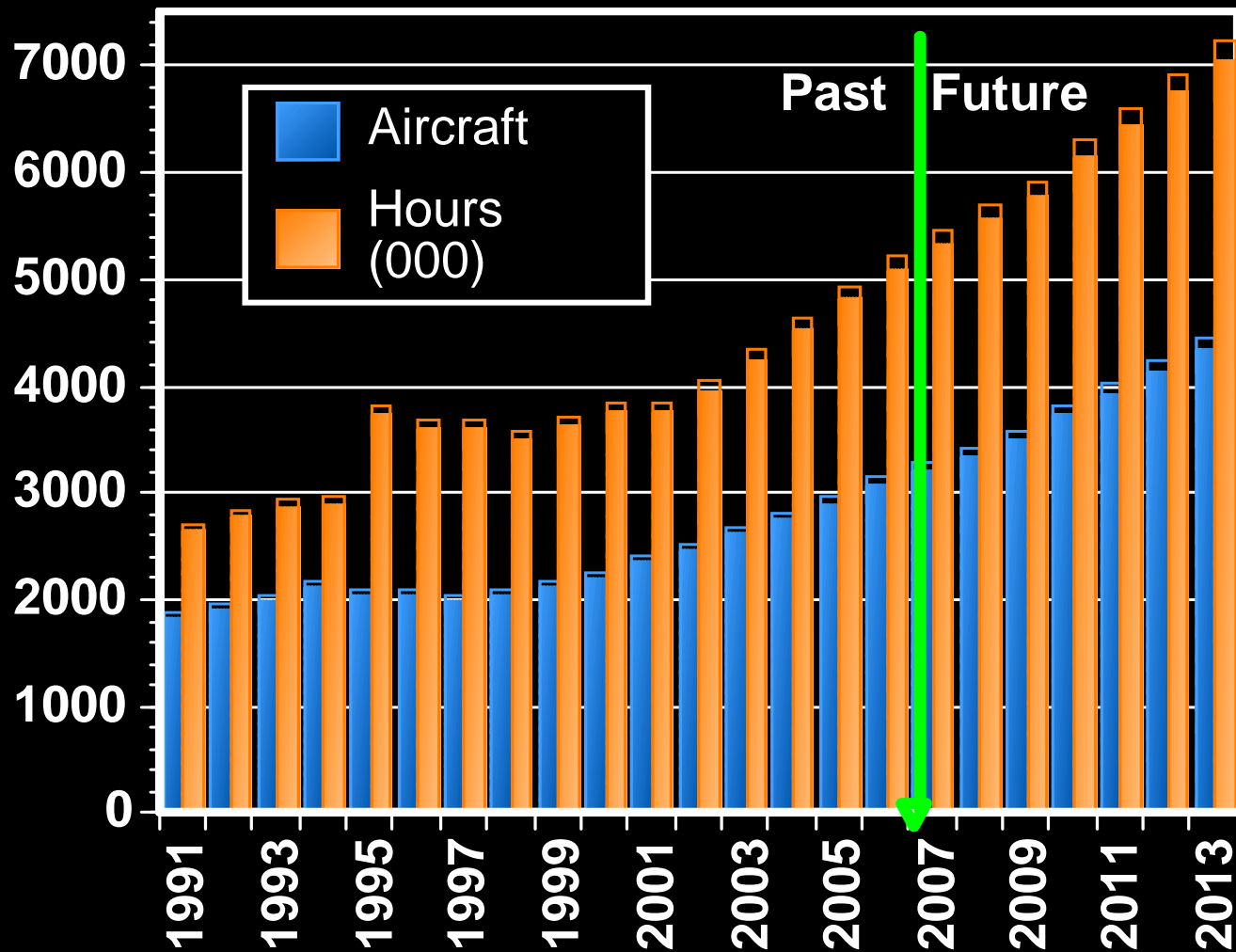
686 in 2003 (21%)

1,108 in 2002 (34%)

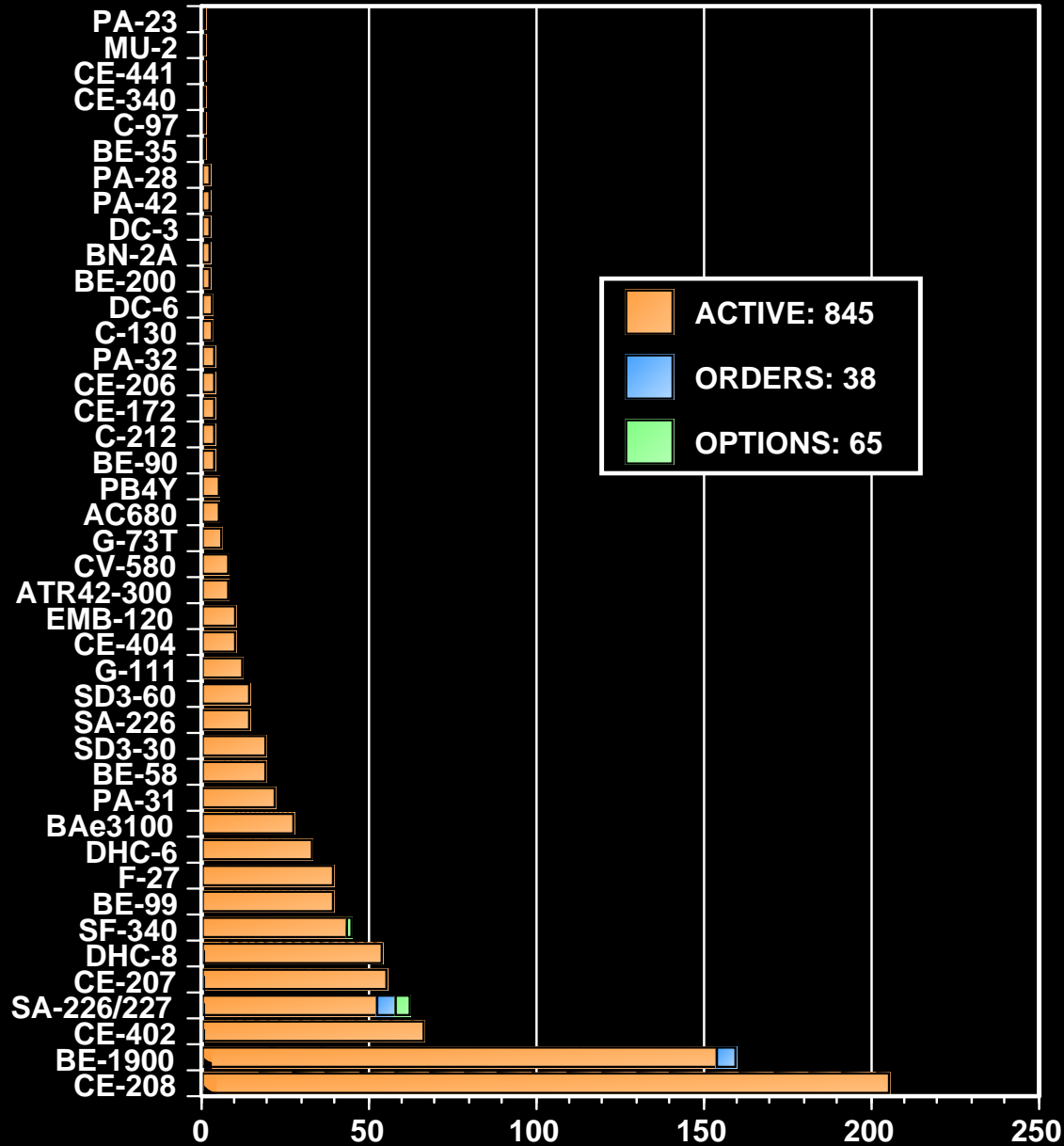
0 on Furlough (0%)

Regional Airlines Aircraft & Flight Hours, 1991-2013

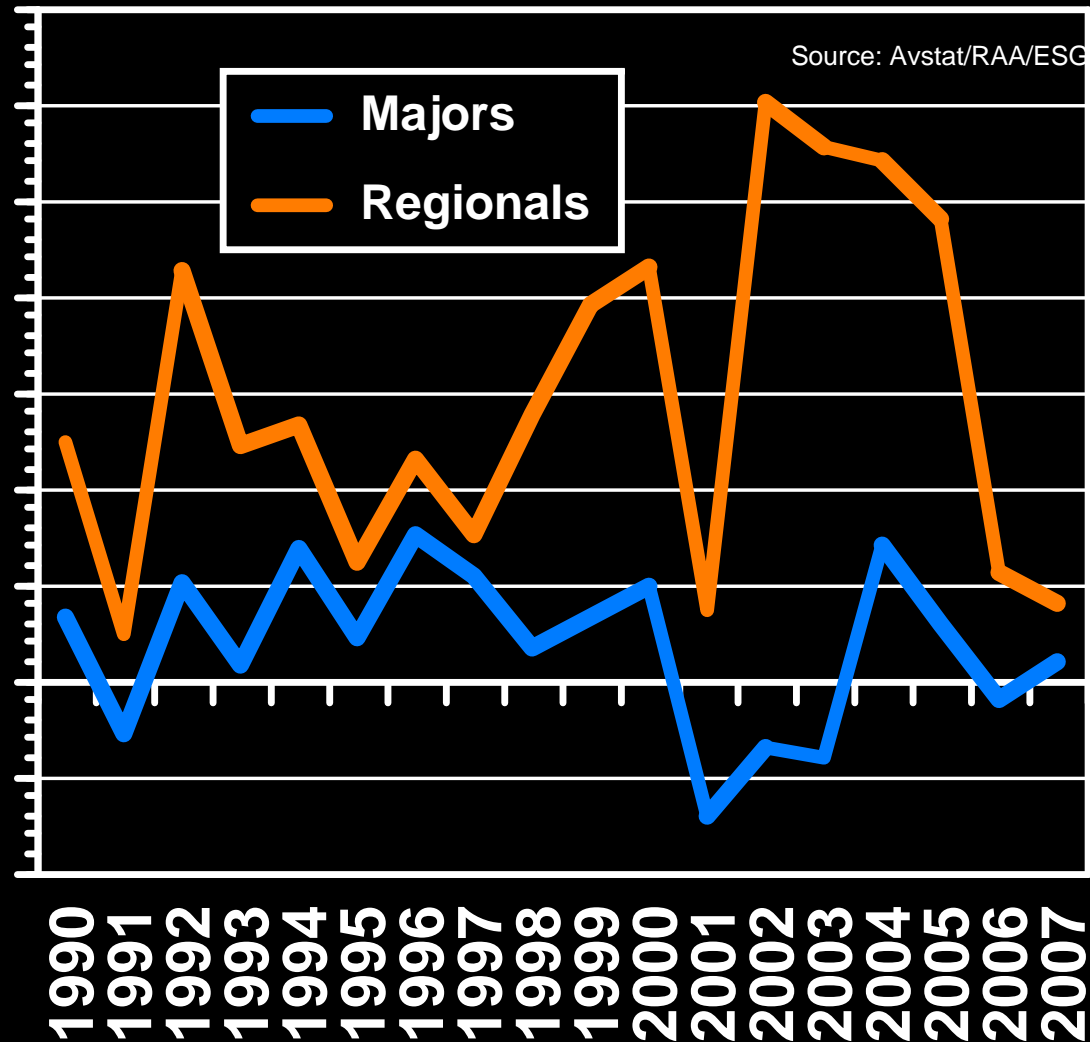
Source: FAA



U.S Active Non-Jet Operator Fleet



U.S. Airline Growth Reg'l vs. Major, '90-'07



36 Jet Operators

2,732 Pilots / 789 AC

14 Hiring - 187 Pilots Hired in FEB

688 in 2007 (25%)

611 in 2006 (22%)

1,592 in 2005 (26%)

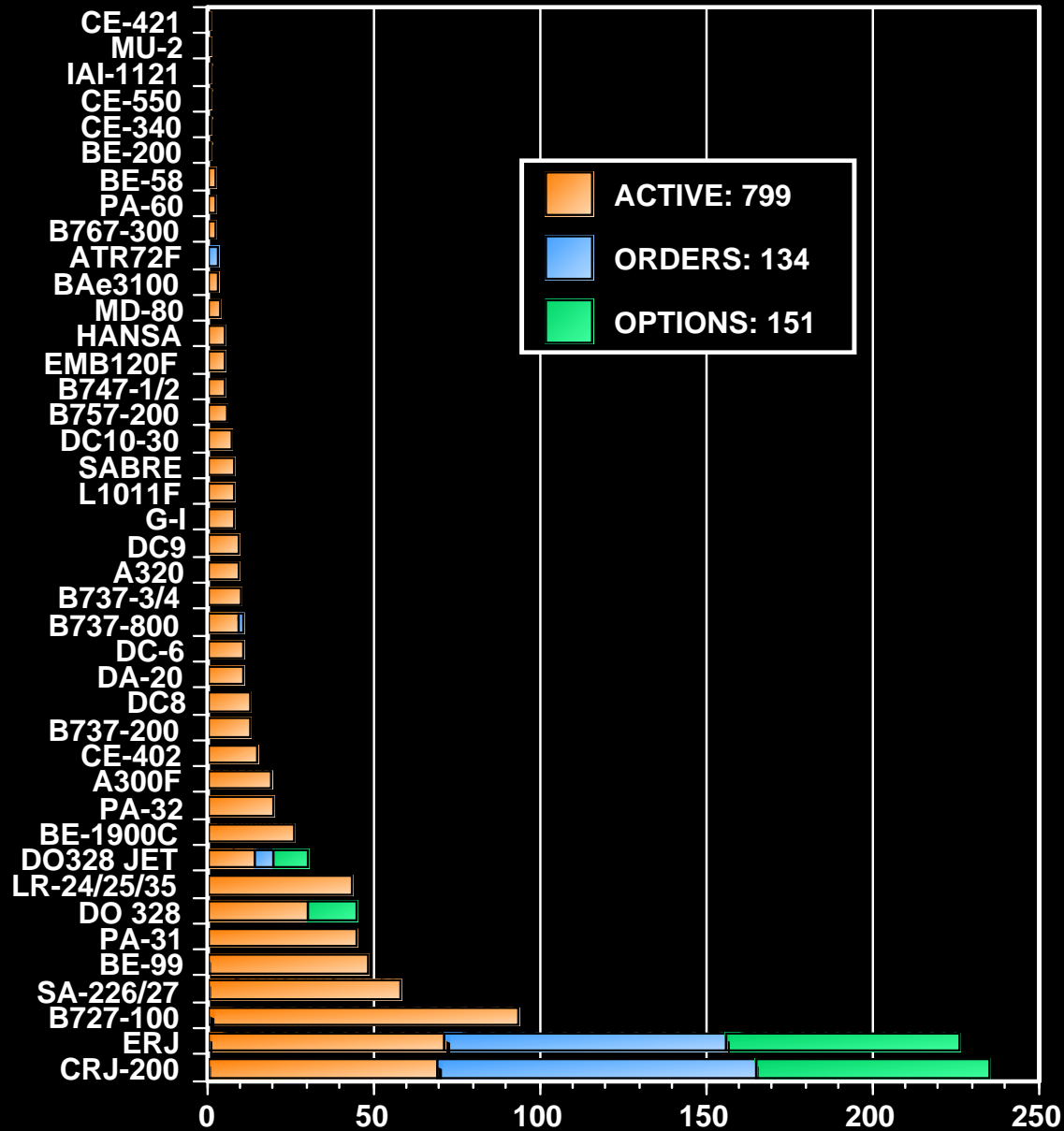
2,012 in 2004 (52%)

1,030 in 2003 (25%)

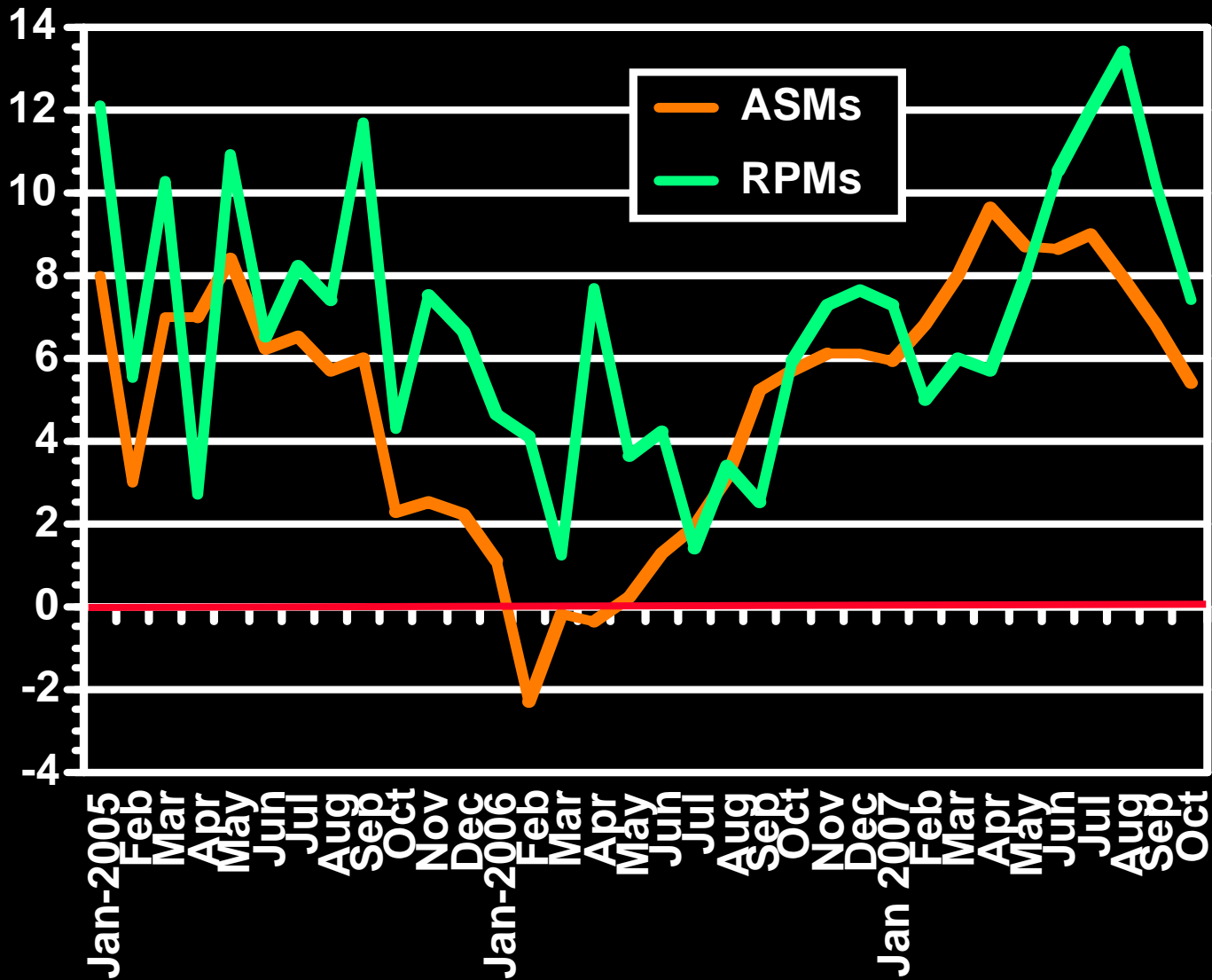
1,145 in 2002 (28%)

74 on Furlough (3%)

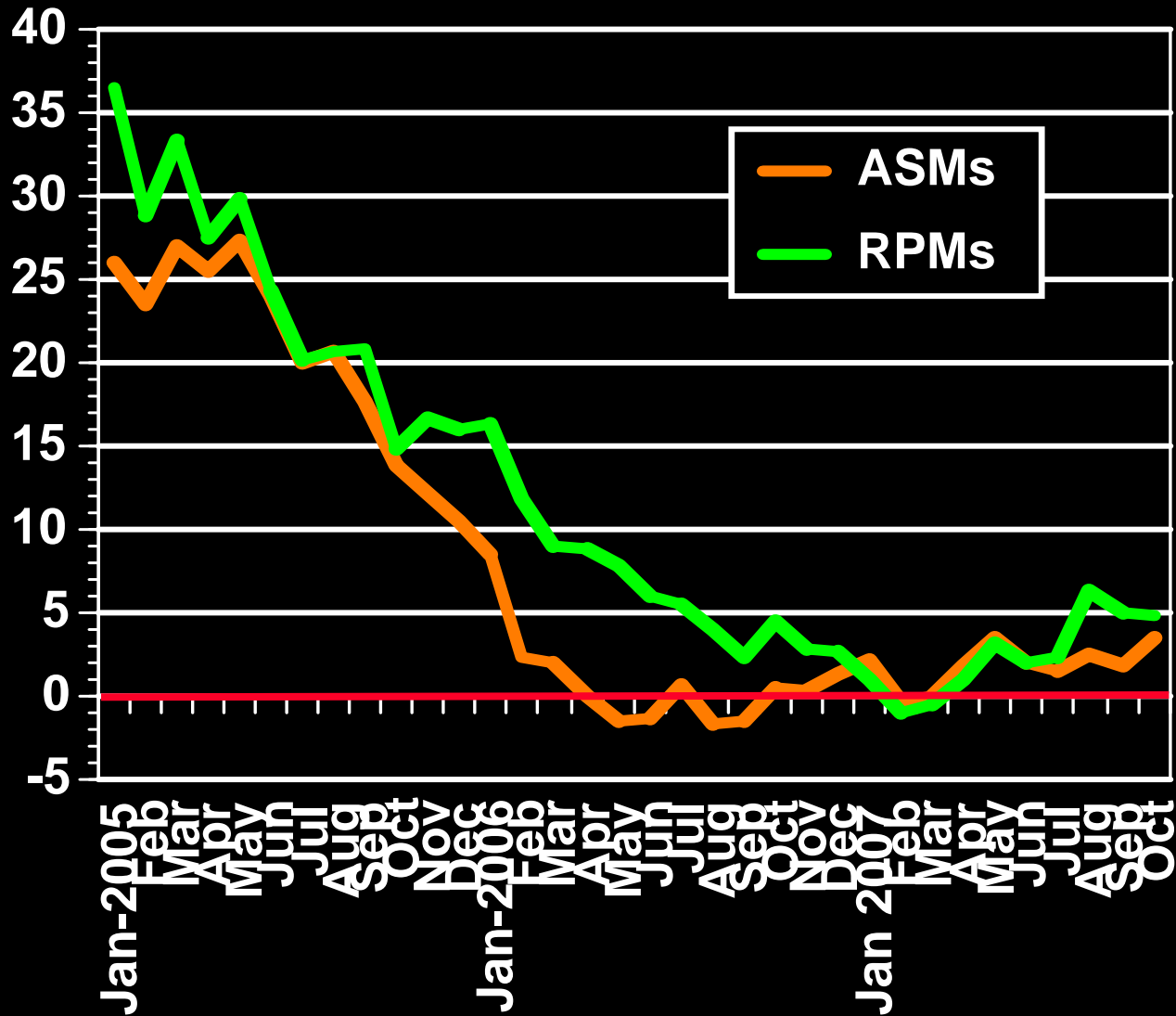
U.S. Active Turbojets



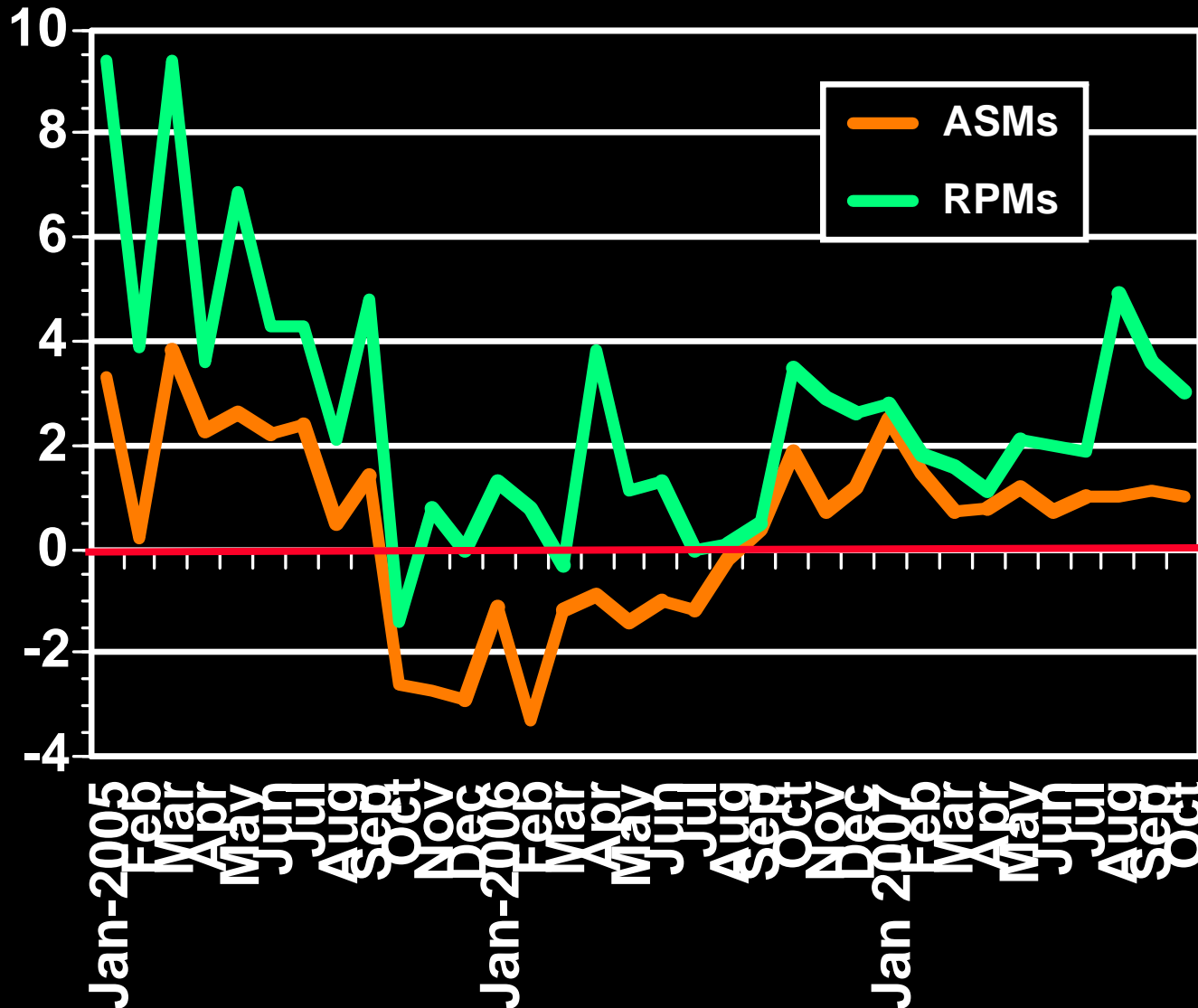
Low Cost Carriers %ASM vs. RPMs



Regionals %ASM vs. RPMs



Legacy Carrier %ASM vs. RPMs



38 National Airlines

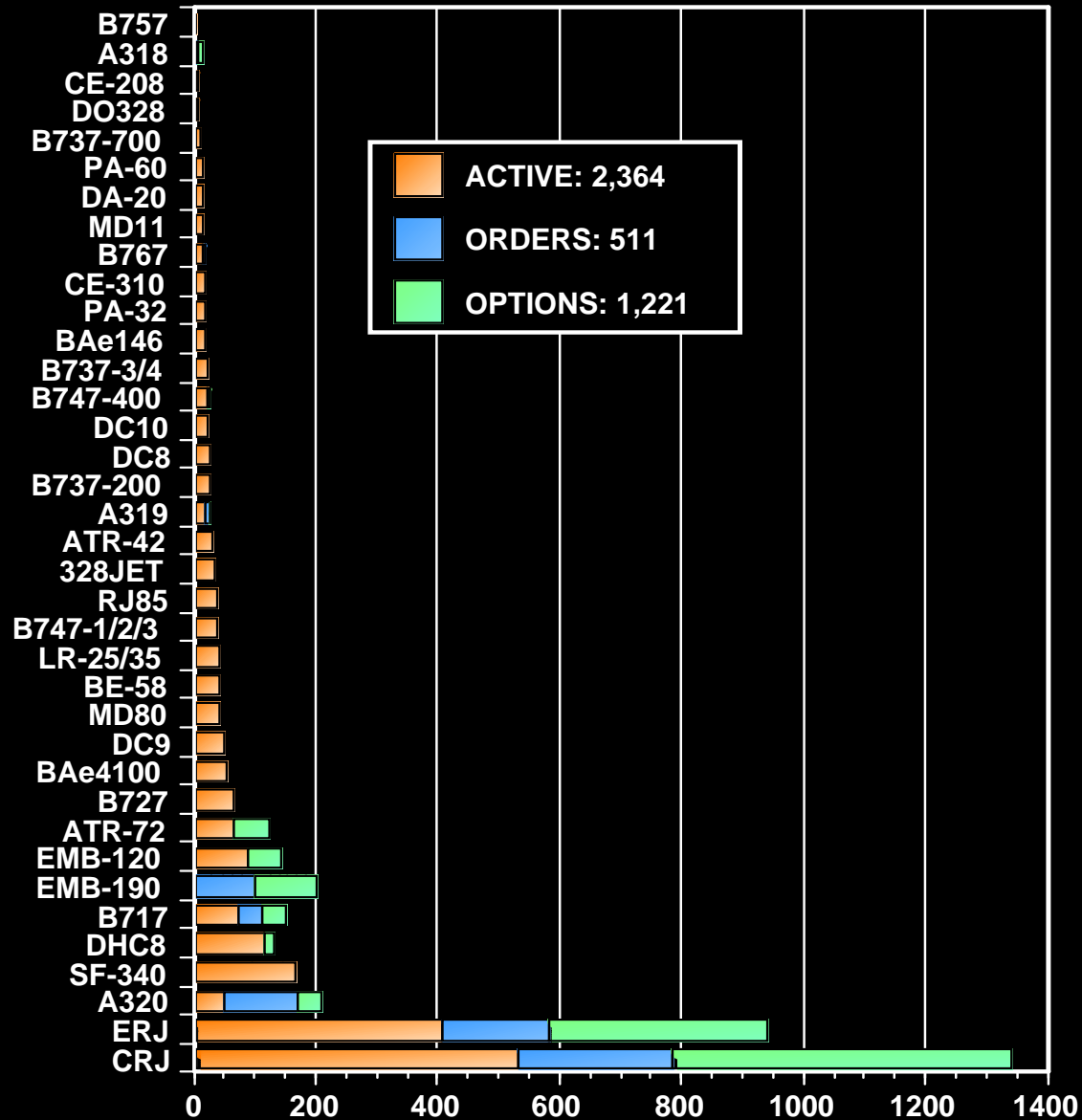
26,645 Pilots / 2,312 AC

31 Hiring - 512 Pilots Hired in FEB

6,831 in 2007 (26%)
3,233 2006 (16%)
3,193 2005 (13%)
3,948 in 2004 (20.0%)
1,900 in 2003 (9.7%)
1,698 in 2002 (8.7%)
288 on Furlough (1%)

38 National Airlines

Active Fleet/Orders/Options



15 Major Airlines

54,609 Pilots / 4,663 AC

11 Hiring - 255 Pilots Hired in FEB

2,900 in 2007 (5.3%)

2,276 in 2006 (4.3%)

2,498 in 2005 (4.4%)

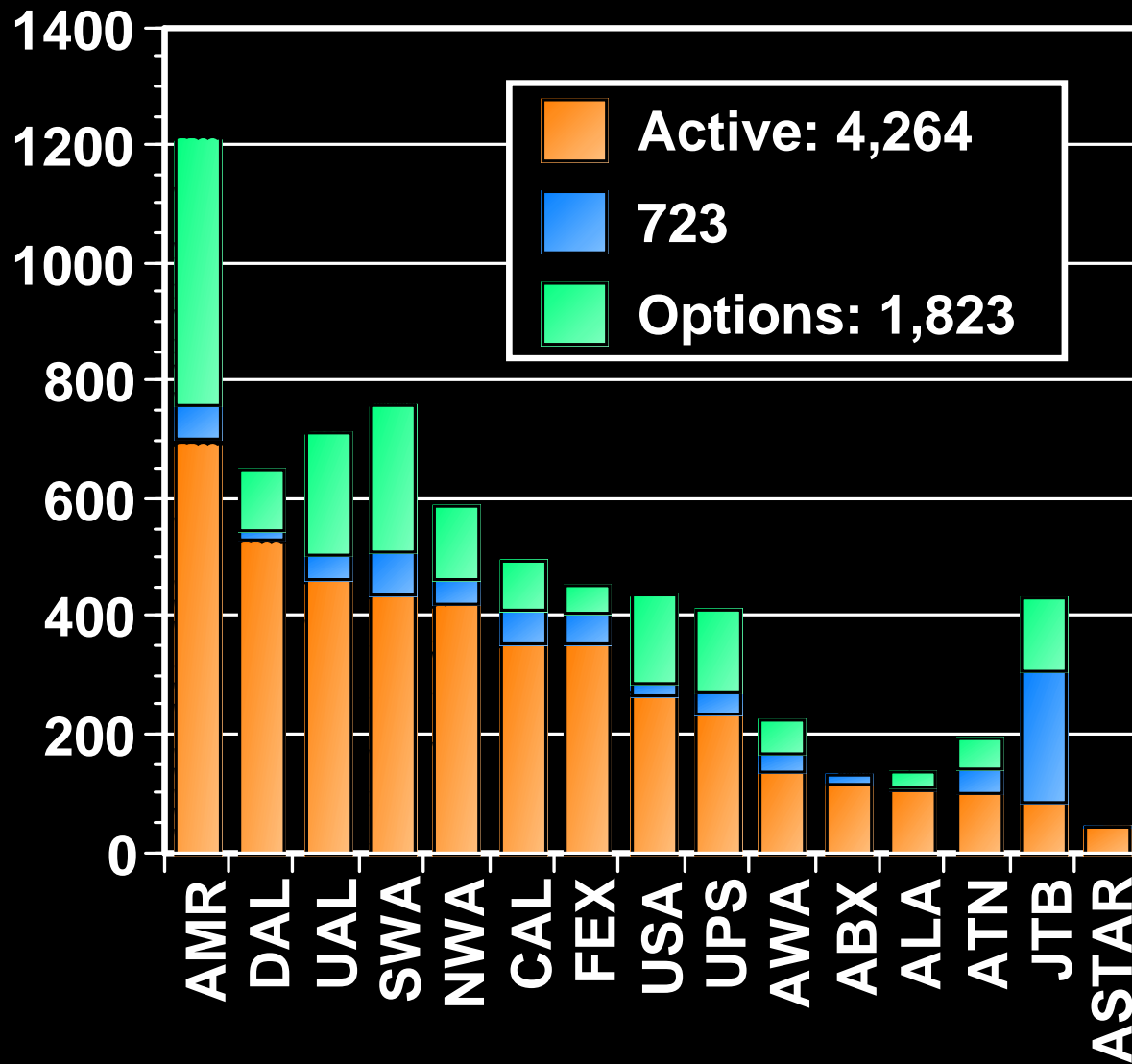
1,139 in 2004 (1.9%)

518 in 2003 (.9%)

549 in 2002 (.9%)

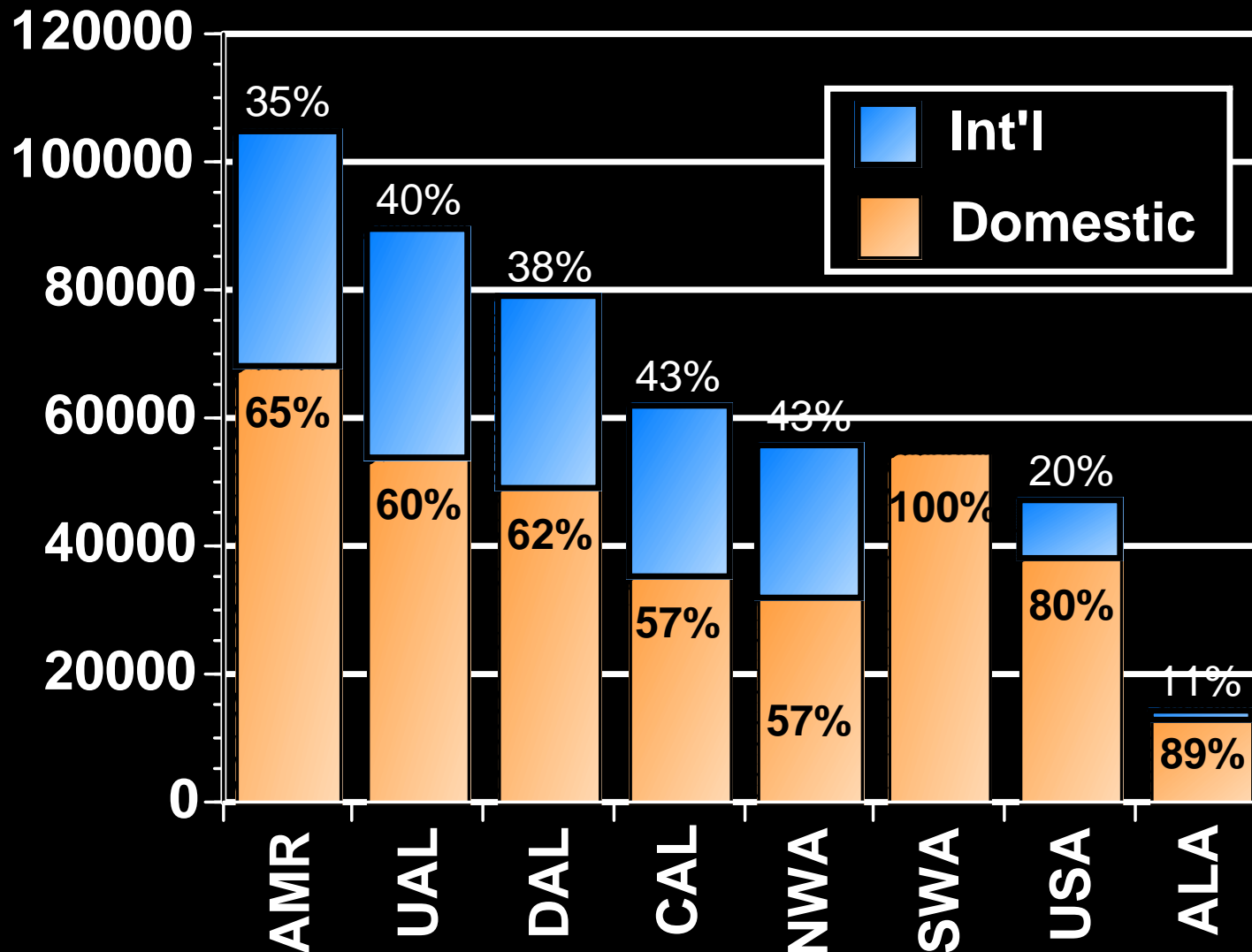
2,491 on Furlough (4.6%)

Majors' Fleets

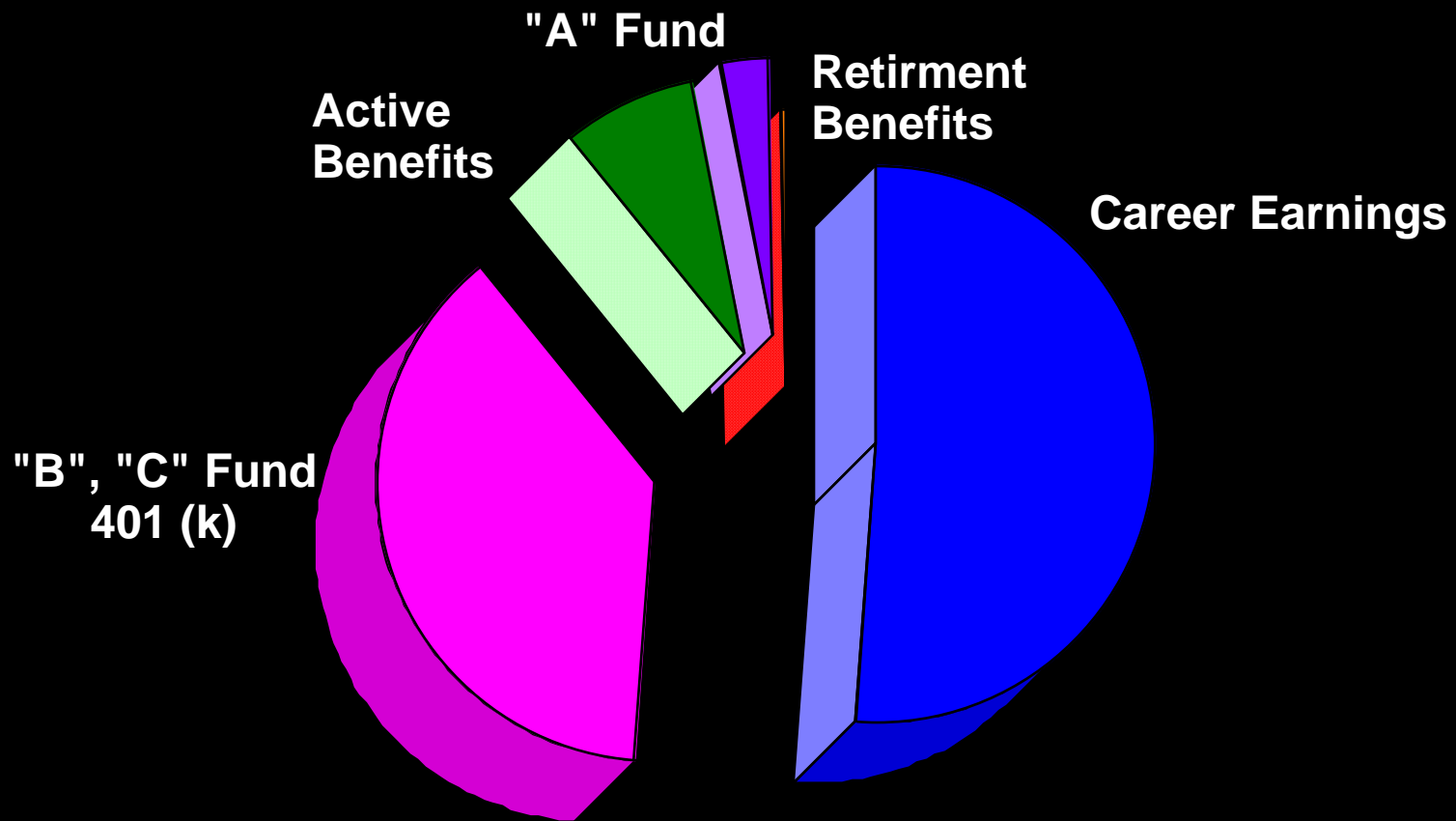


Major Airlines

Int'l vs. Domestic RPMs

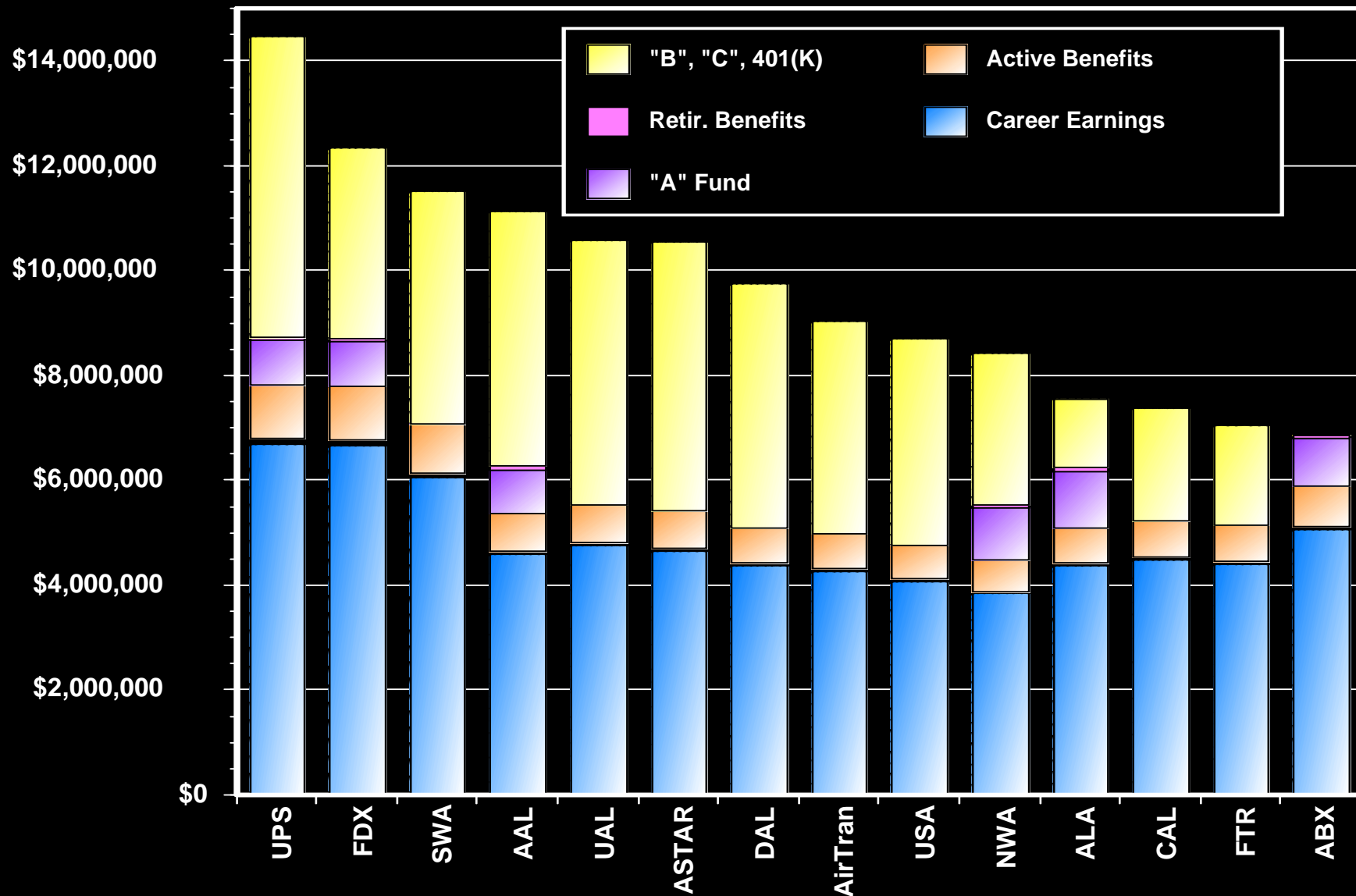


Lifetime Career Earnings 15 Major Airlines



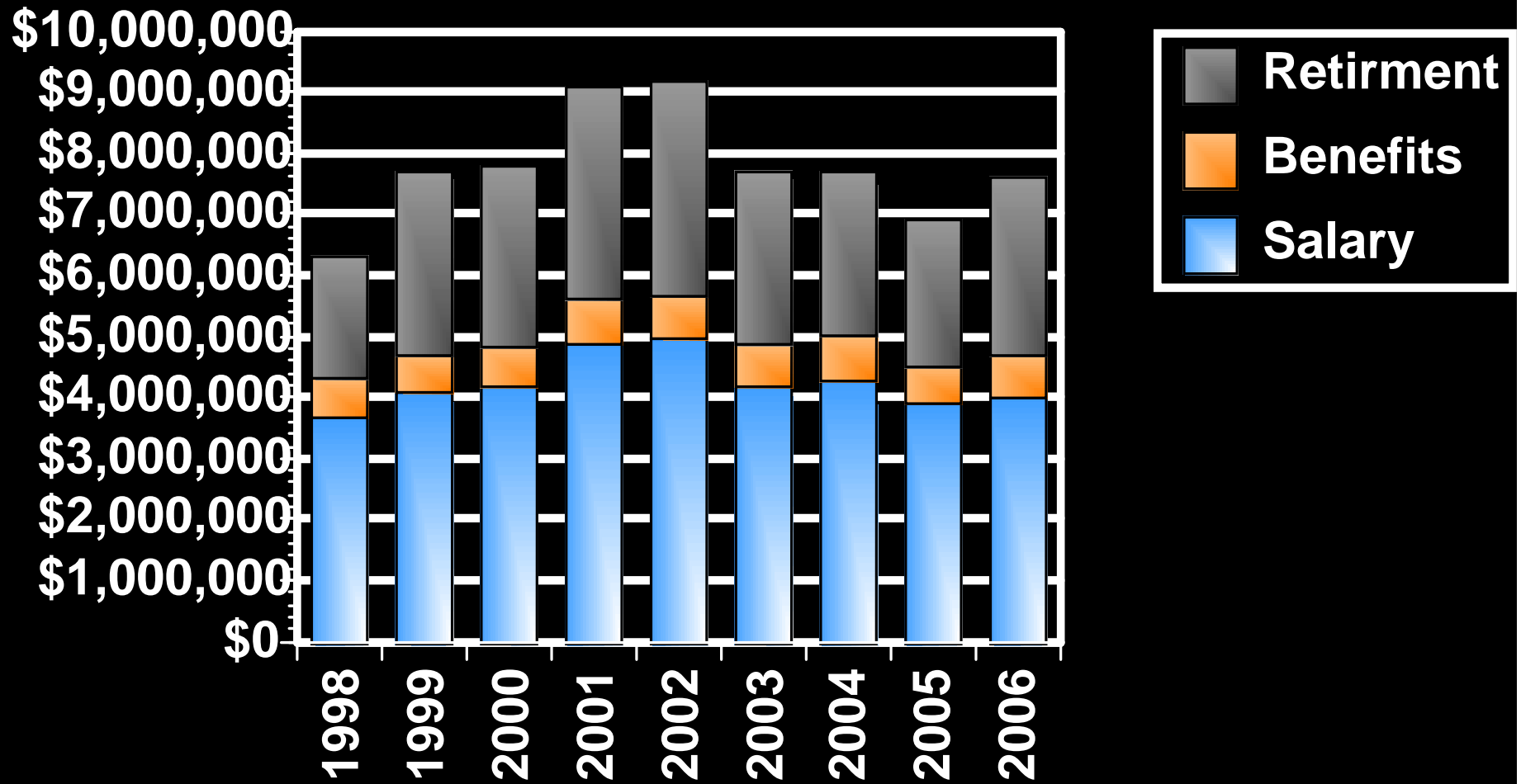
Major Airlines Career Earnings

35-Year Career



Major Airlines Career Earnings

30-Year Career Over Time



Major Airlines Requirements

- Age range: civil / mil **27-57 / 28-57**
Avg: civil / mil **37 / 37**
- ATP: civil / mil **93% / 92%**
- Typed: civil / mil **60 % / 57%**
- Total time: 1,165-20,000 (**5,858 avg**) civil
1,521-20,000 (**4,262 avg**) mil
- PIC time: 3,317 / 2,334 civil / mil
- Jet time: 3,449 / 2,802 civil / mil
- Turboprop time: 1,953 / 1,567 civil / mil
- Multiengine time: 4,799 / 3,427 civil / mil

Major Airlines Requirements

- FE written exam or rating: civil / mil **31% / 39%**
- College degree: civil / mil **93% / 97%**
- Civil / military / mixed background
68% 32% 33%

The

End

