



**Eesti Lennuakadeemia**  
Estonian Aviation Academy

# PETRI' S FRUIT SALAD





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# Airline industry

# SINCE DEREGULATION IN 1978, FLYING IS MUCH MORE ACCESSIBLE ← TO PEOPLE ALL ACROSS THE UNITED STATES →

By the numbers, U.S. airlines have:



**97%**

MORE FLIGHTS



**168%**

MORE PASSENGERS



**301%**

MORE CARGO



**88%**

MORE EMPLOYEES

Flying is **98%** safer, **40%** more affordable, **95%** quieter and **120%** more fuel efficient.  
**Happy 35th Anniversary of Deregulation!**



Airlines for America®  
We Connect the World



# *The main facts and issues*

*Here we go*

► Facts and issues ◀

## **1. Deregulation**

The deregulation of European airline market bring in many new entrants in 1997

## **2. Trend**

Low-cost business models have become the driving force in the world airline industry

## **3. Competition**

Competition in the low-cost carrier market in Europe is brutal

## **4. Predicament**

BA was faced with a loss of market share and a financial failure in short had segment

# European airlines

source: Association of European Airlines

- 820 million passengers
- 120 million international tourists
- 452 billion Euros annual contribution to European GDP
- 7 million direct employment 11,7 mill total



Avixtra 2014

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# European airlines

source: Association of European Airlines

- Single European Sky needed
  - Unnecessary cost per year 5 billion Euros
  - 11 million annual minutes of flight delays
  - 8 million tonnes of unnecessary CO2
- Growth
  - 1977 100 mill pax
  - 1995 200 mill pax
  - 2014 420 mill pax



# Finland new airspace 13.11.2014

- No glider areas G
- No military control areas MIL CTA
- Protected areas – linked in past to MIL areas, no more
- Parachute area (fixed) in Räyskälä no more
- AWY Corridor: corridor between FL65-FL95 no more. In many areas this means controlled airspace lowest level FL95
- Unofficial practice areas no more. Replaced with local airspace reservations “Local TRA”
- Kauhava military airport no more, local areas removed
- Many IFR charts revised

# Finland new airspace 13.11.2014

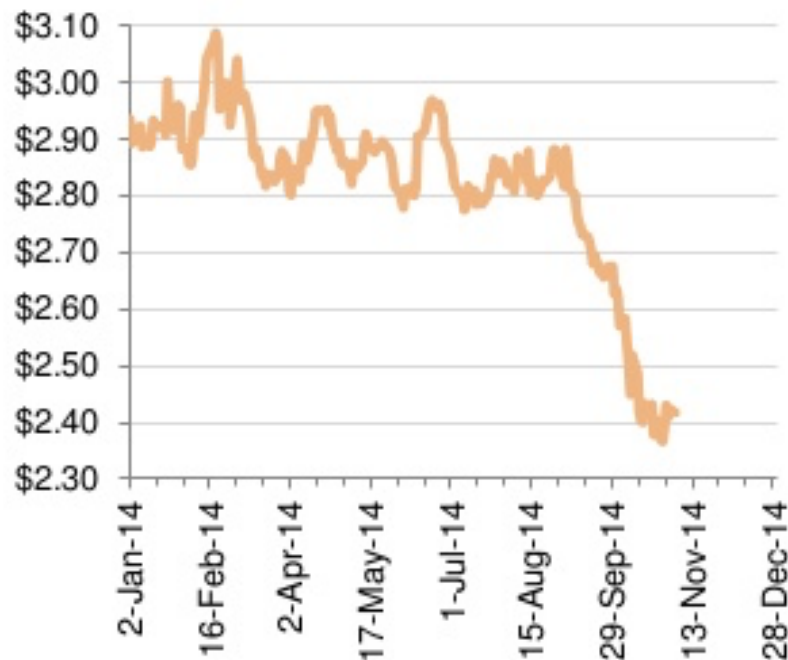
- The new airspace allows UAV operations without line of sight



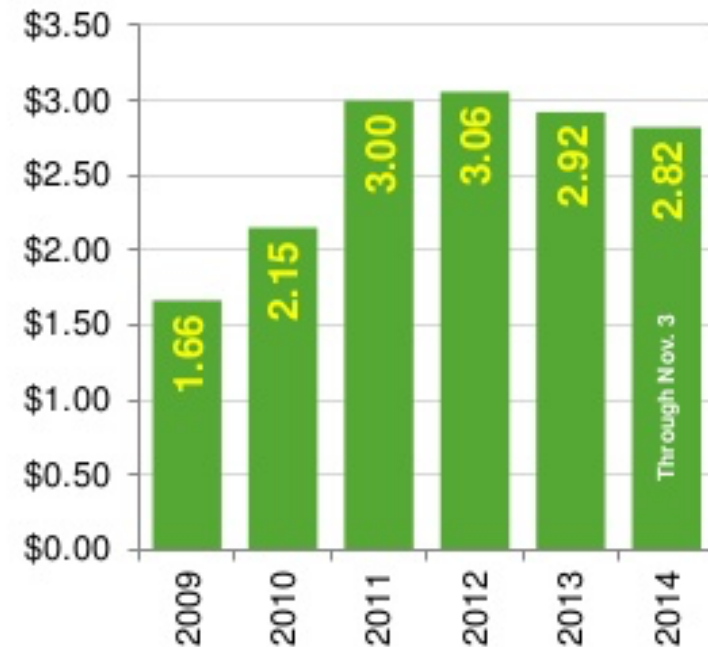
# Jet fuel prices 2014

Source: A4A Industry Review and Outlook

**Daily Spot Price per Gallon (U.S. Gulf)**



**Annual Spot Price per Gallon (U.S. Gulf)**



Source: A4A and Energy Information Administration (U.S. Gulf Coast)

# Aircraft deliveries 2014-2033

Source: Airbus

• Freighters	803	2%
• Africa	973	3%
• CIS	1,218	4%
• Middle East	2,148	7%
• Latin America	2,263	7%
• North America	5,533	18%
• Europe	6,167	20%
• Asia/Pacific	12,253	39
• Total	31,358	100%

- 7304 days = 4,29 aircraft delivered every day
- Invested totally USD 73 billion into 745 new aircraft

# Someone must need pilots!



# New pilots & technicians 2014-2033

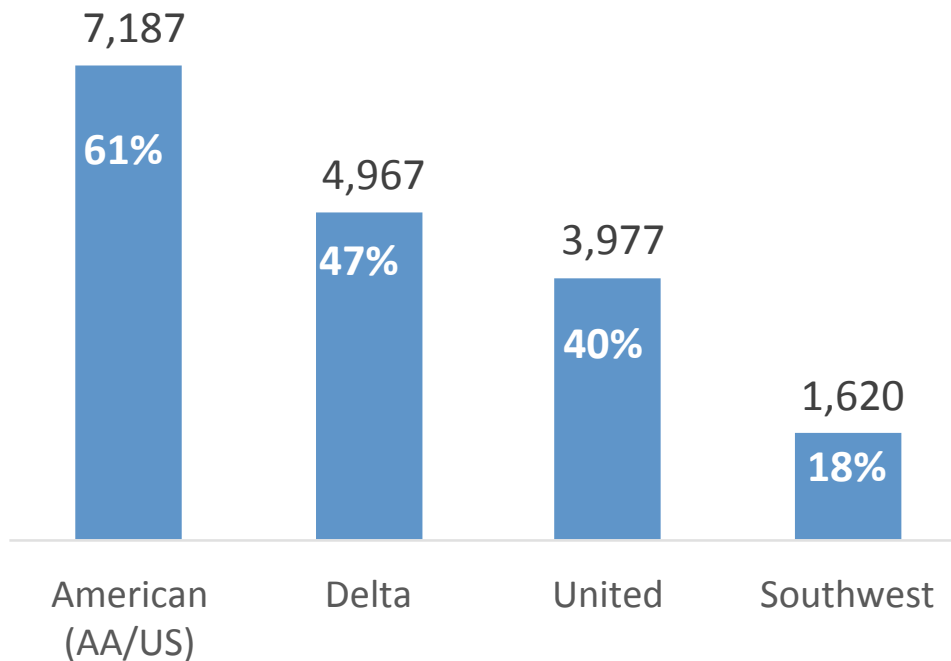
Source: Boeing

	Pilots	Technicians
• Asia Pacific	216,000	224,000
• Europe	94,000	102,000
• North America	88,000	109,000
• Middle East	55,000	62,000
• Latin America	45,000	44,000
• CIS	18,000	24,000
• Africa	17,000	19,000

Boeing forecast 533,000 new pilots 584,000 technicians

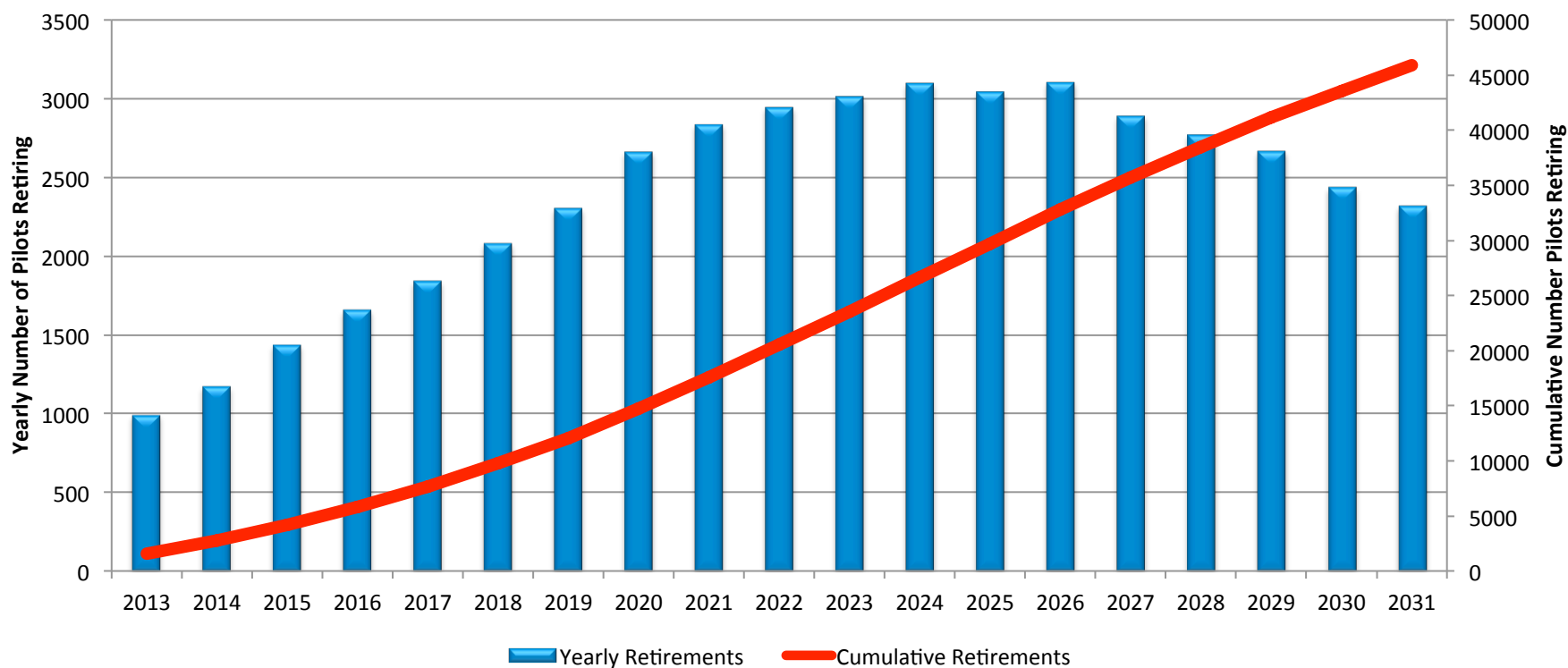
# In US most “Age 65” related pilot retirements are with the 4 largest airlines

Total Age 65 by 2022 and % of Total Current Active Pilots

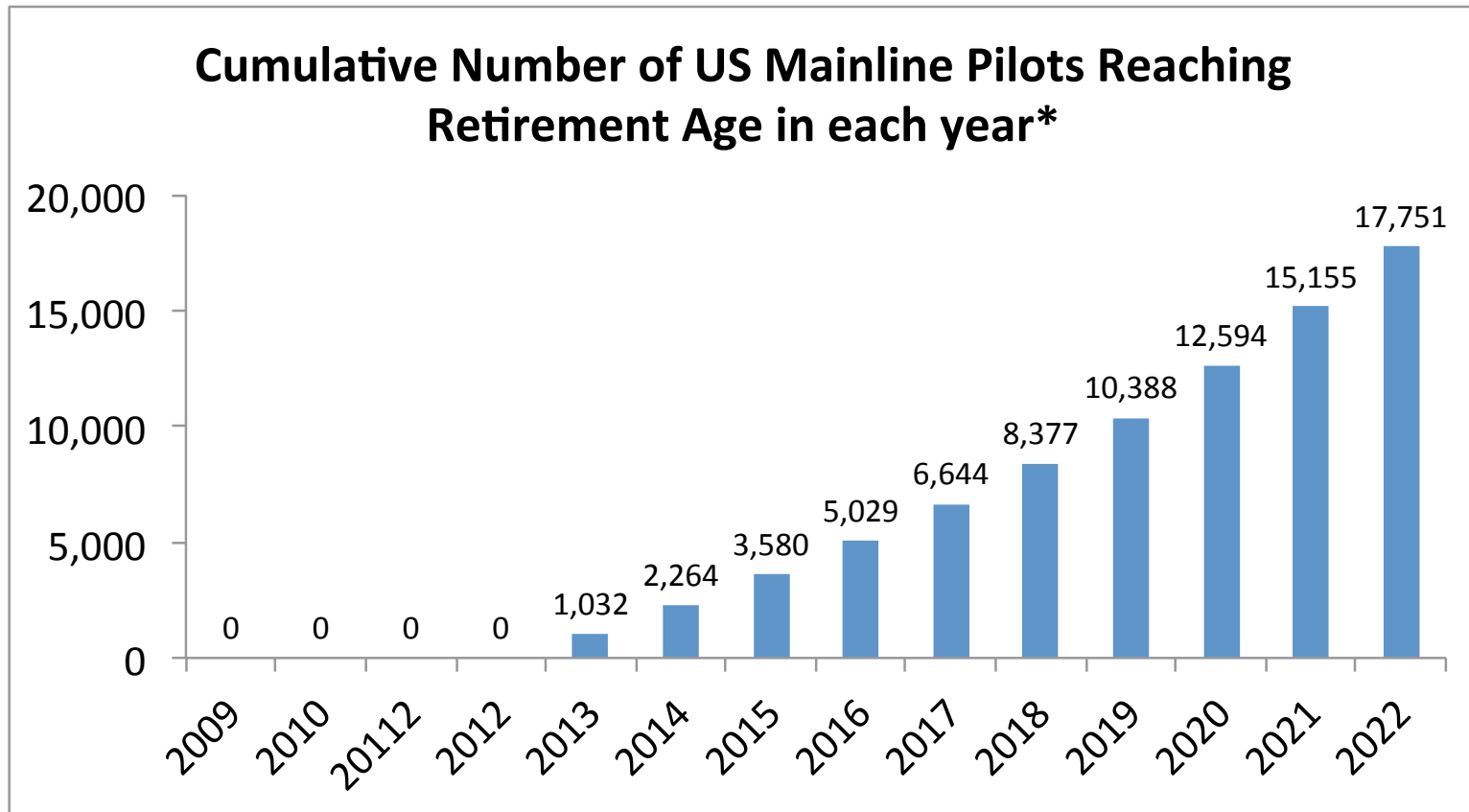


- Top 4 US airlines alone will retire a minimum of **18,000** pilots from age 65 alone by 2022.
- FAR rest rules adds need for **2,000 – 3,500** additional pilot's at these 4 US carriers.
- Mainline staffing demand creates downline turbulence at regionals and others
- Only 18,000 total regional pilots today, a large portion of which will not leave
- Lower paying LCCs will be tapped as well

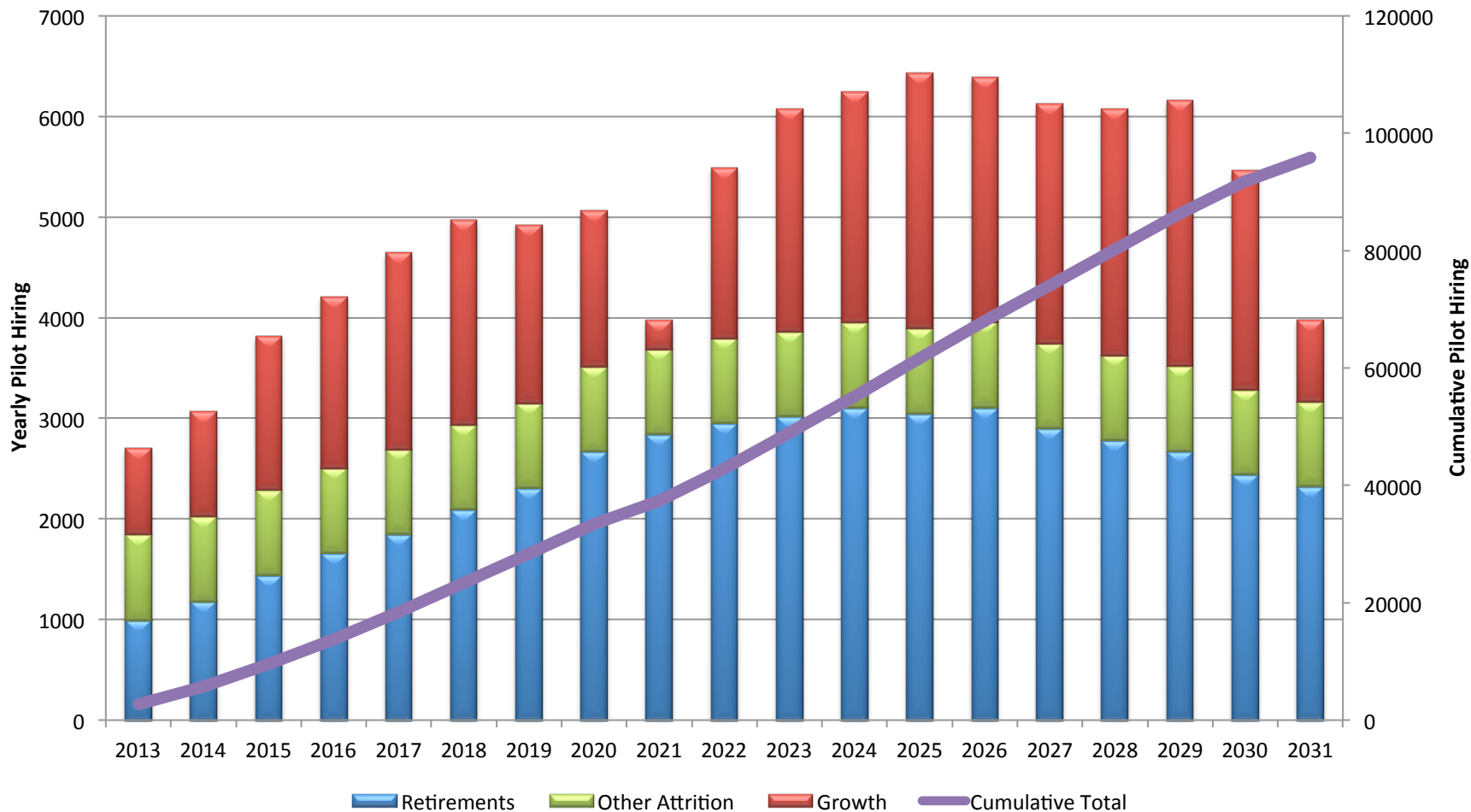
## Forecast Retirements at Major US Airlines (Based Upon A4A Data)



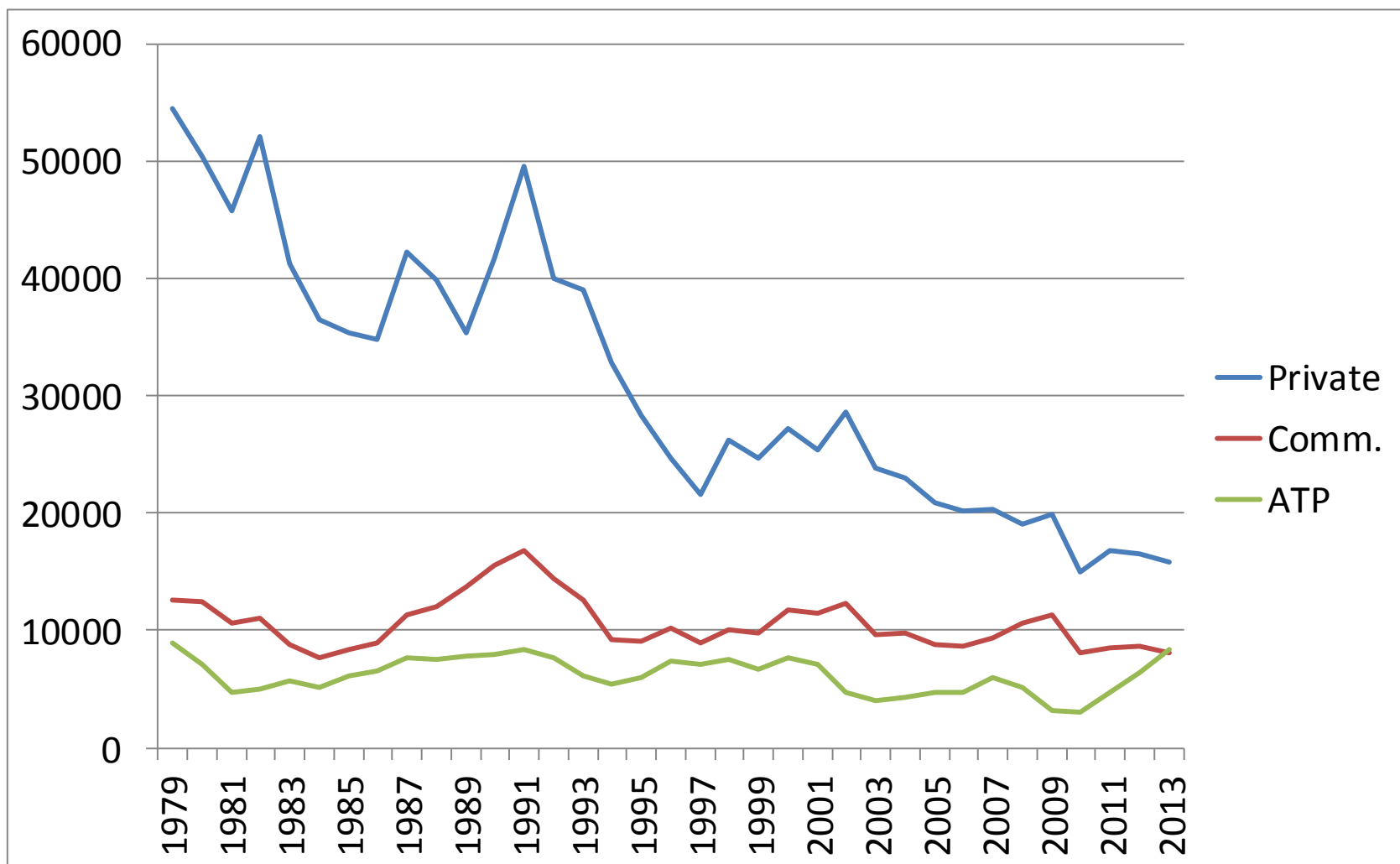
# Pilots Face Mandatory Age 65 Retirement, Creating Need for Replacements



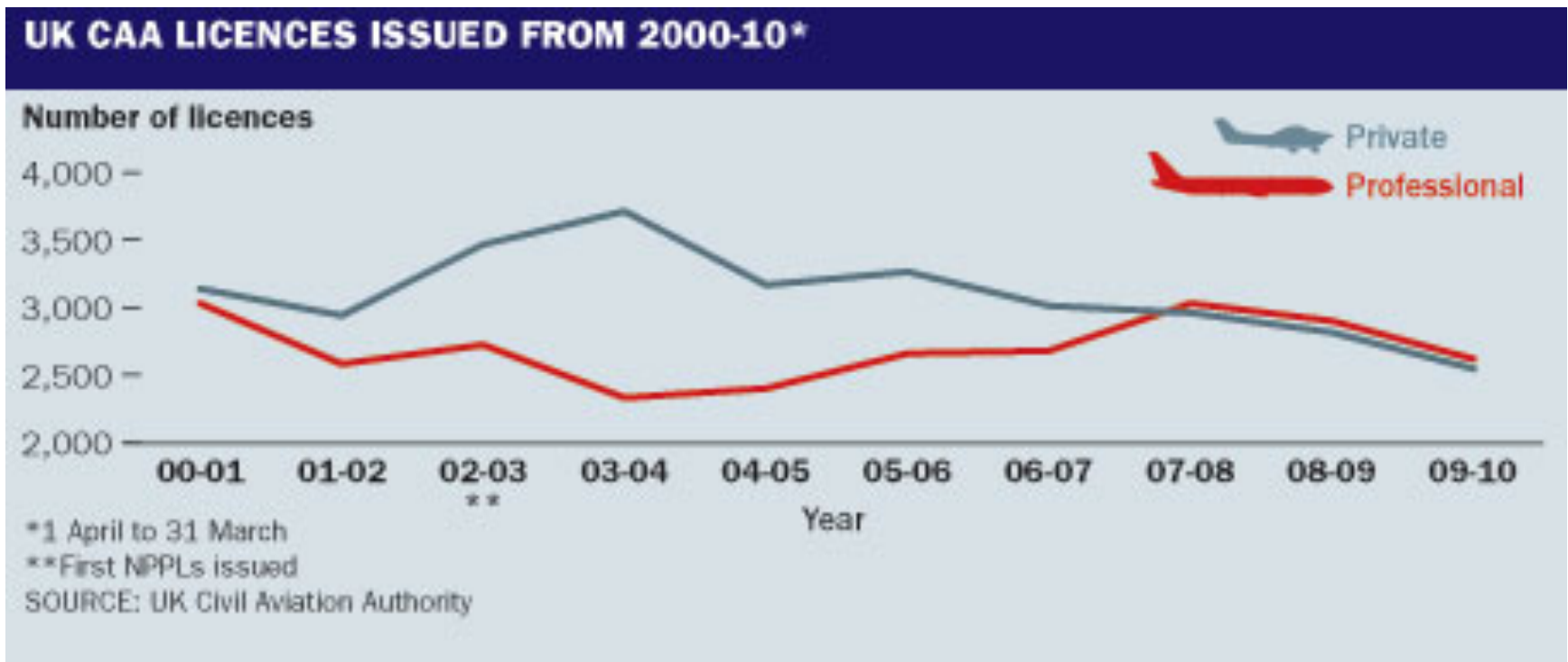
# Forecast Hiring at Major US Airlines



## Pilot Certificates Issued (FAA and GAMA)



# Licences issued 2000-2010 UK



# Licenses issued 2003-2013

## Finland

	2003	2012	2013		
• Rec	3610	3565	3652	+87	+2%
• PPL	2451	2230	1953	-277	-12%
• CPL	1033	1128	973	-155	-14%
• ATPL	702	1076	1090	+14	+1%



# Is there a pilot market?

# Did you think about helicopters?

# HOW TO GET A JOB?

- Excellent young pilots graduating and thousands looking for a job
- Creating entry programs for new pilots
- Industry involvement in the education
- Discussion for also “Alternative Pathways”
- Funding for training



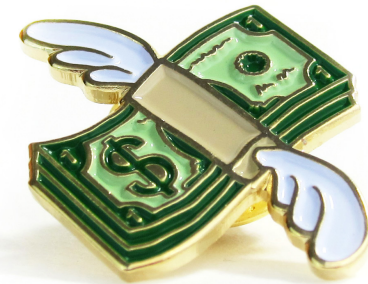
# Application and CV

- Apply, apply, apply and then again
- Be professional
- Prepare a good CV
- Make it “stand out of the crowd”



# Type course?

- B737 or A320 or what type course?
  - You need to be 2 trainees = crew
  - Price €16,000 – €28,000 per person
  - Base training
  - Line training



# Training should change

# New look at all aspects of training

- New basic training approach
- New training methods needed
- New type training approach to next generation airliners
- New recurrency training approach to next generation airliners



# THINK NEW





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**THANK YOU**