Waterloo airport facing critical pilot shortage

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WATERLOO -- The number of commercial airline pilots has nosedived across the U.S., and local airport officials are preparing for the effects to land in Waterloo.

A 2016 Boeing report shows almost half of commercial airline pilots will retire in the next decade, and new pilots face huge obstacles to licensure.

It all points to a bumpy landing for regional airports.

According to the Federal Aviation Administration, there were about 827,000 pilots in the U.S. in 1987. Over the last three decades, that number has decreased by 30 percent. Meanwhile, there’s been a tremendous increase in the demand for air travel. The International Air Transport Association predicts over the next 20 years air travel will
double.

Regional airports are reeling from the shortage. Many have been forced into cutbacks, bankruptcies and closures.

“If this continues, there will be negative impacts to small communities all over the country,” said Keith Kaspari, Waterloo Regional Airport’s director of aviation. “This is a real concern and should be to everybody in Iowa and other small communities that have regional service for their connectivity to the national air transportation system.”

Financial burden

Analysts say regional air service is a direct link to a community’s overall economic development.

“And if you can’t get scheduled air service to your community, then you’re going to take your travel dollar somewhere else where you can,” Kaspari said.

The air industry supports thousands of jobs in Iowa, including manufacturers that support aviation industries. That equals more than 30,000 jobs, an annual payroll of $2.1 billion and an economic output of $3.9 billion, according to the Iowa Department of Transportation-Office of Aviation.

By 2026, Iowa’s annual economic loss due to the pilot shortage will top $741 million and 7,000 jobs, according to “A Man-Made Disaster” by Flightpath Economics, which also noted the 10-year cumulative loss to Iowa’s economy will be $3.9 billion.

Kaspari and other members of Iowa Public Airports Association are calling for a grassroots effort to encourage anyone with any interest in becoming a pilot to begin the training process. But the cost of obtaining the degree and hours for Airline Transport Pilot certification is sending would-be pilots into a tailspin.
Airlines are hiring less experienced pilots, leaving training schools — like Livingston Aviation in Waterloo — in a lurch for instructors.

“They’ve been talking about a pilot shortage for 15 years, but I’d say within the last two years it’s become really noticeable,” said Tim Newton, general manager, part-owner and flight instructor at Livingston. “Traditionally, you build time and flight experience being a flight instructor before you move on to the airlines.”

Barriers to flight school

Regulation adjustments and student loan access are steep barriers for would-be pilots.

A deadly crash in Buffalo, N.Y., in 2009 pushed Congress to adjust the pilot requirements for commercial airlines. After a pilot mishandled a landing near Buffalo-Niagara International Airport, the plane crashed into a residence, killing all 49 passengers and crew as well as a person in the house.

Since 2013, commercial air pilots are required to have 1,500 training hours, a significant increase from the previously required 250 hours.

And the price of pilot certification, which can exceed $100,000, far outweighs the price of a typical four-year degree.

“Routine, historical student loan programs do not fit today’s model of trying to get a student from the point that they start in school to the point that they graduate and beyond,” Kaspari said. “It’s a vicious circle.”

Students who attend aviation schools like Livingston are not eligible for financial aid or student loans because the school is not an accredited university. Instead, students must pay out of pocket.
To combat the issue, the Federal Aviation Administration in 2009 extended the mandatory retirement age for commercial pilots from 60 to 65. But a 2016 report by Boeing shows 42 percent of pilots currently flying for major U.S. airlines will reach their mandatory retirement age of 65 in the next 10 years.

“Even with the increase in student pilots, it’s probably not enough to cover the amount retiring, so I don’t think this problem is going to resolve itself in the next couple of years. It’s a long-term problem,” Newton said.

ALO

The Waterloo Regional Airport maintains 13 flights a week to and from Chicago through American Airlines’ regional network carrier, Envoy Airlines. Waterloo needs to stay plugged into this extensive route map, which has destinations across the globe.

“As a community we have to maintain this service,” Kaspari said.

The city-owned airport operates with help from a federal grant through Essential Air Service program with the U.S. Department of Transportation.
Kaspari said he eventually would like to ease the airport into a more self-sustaining commercial air service. To do that, airlines need more commercial pilots.

Waterloo is among four Iowa airports that receive EAS funding. Others are Burlington, Mason City and Fort Dodge. Dubuque, Sioux City, Cedar Rapids and Des Moines airports do not receive the assistance.

Across the U.S.

Recently, major businesses across the U.S. have relocated near larger airports with more flight options.

“After nearly a century, Caterpillar moved their corporate headquarters from Peoria, Ill., to Chicago, citing reliable air service as the top issue affecting the decision. Archer Daniels Midland moved from Decatur, Ill., to Chicago. Chiquita left Cincinnati for Charlotte. Krystal left Chattanooga for Atlanta,” according to the Iowa Public Airports Association.

“The only way we’re going to get more service is if we support the service we have today. And then with a high enough load factor with passengers on each flight that can then justify expanded service,” Kaspari said.

“That is why it is critical that community officials, state and federal legislators, work towards a streamlined and defined pathway for men and women to work towards a career as a pilot — whether it be via the U.S. airline industry (passenger and cargo), corporate or business aviation, but also to serve our nation by joining the ranks of the military services.”

Air service decline

Airline reductions between 2013-2016:

- 309 U.S. airports experienced schedule reductions of 10 percent or more.
- 52 U.S. airports lost passenger service completely.
Financial impact

- In 2012, civil aviation generated $1.5 trillion in economic activity and supported 11.8 million jobs.
- Civil aviation accounted for 5.4 percent of the U.S. gross domestic product in 2012.
- Commercial airline visitor expenditures contributed $671 billion to the U.S. economy and supported nearly 6 million jobs.

Source: Regional Airline Association

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