

Con air?

How much would you pay to get a job? ALEXANDER FOX looks at the phenomenon of Pay2Fly airline training schemes — merely an update of old-style 'bonded' employment, or a form of slavery for those desperate to get on the flightdeck?

Whether fresh from training and seeking that elusive first airline job or a seasoned veteran with thousands of hours and countless ratings, pilot training can be a contentious issue. This article will investigate the growing trend of charging newly qualified frozen ATPL holders for type-ratings (aircraft specific training) and 'Pay2Fly' schemes, whereby airlines recruit newly type-rated pilots and instead of paying them a salary, charge the pilot to train and work with them.

The increasing cost of flight training

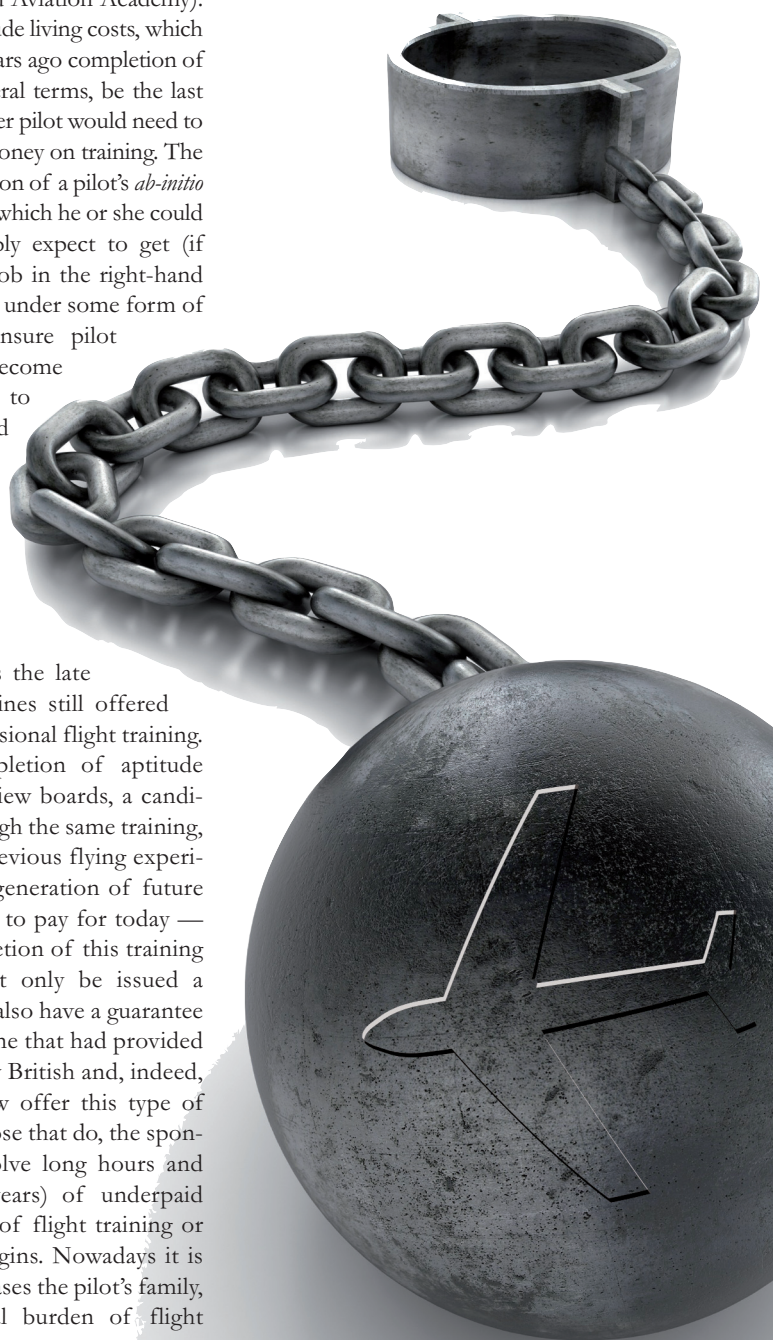
It will come as no surprise to many that the cost of flight training is increasing. It is because of this that the British Airline Pilots Association (BALPA) believe that as the economy rebounds and so too the airline industry, there will be a shortfall of pilots. This is further evidenced by decreasing intakes at flight schools. Cabair, one of the UK's leading Flight Training Organisations reports reduced enrolment of integrated students — from 2000-2007 intake was approximately 150 students per year, in 2008 this dropped to 100 and further dropped to 75 then 65 in 2009 and 2010 respectively. Low and middle-income families are being put off sending their budding young 'wannabe' (as some Internet forums call them) sons and daughters to flight school, as for many this means remortgaging or becoming heavily indebted.

The cost of obtaining a frozen ATPL (which includes the CPL, IR and now, of course, Multi-Crew Co-operation certificate or MCC) has been steadily increasing, in line with inflation, market forces and, predictably, rising fuel and oil prices. The current cost of an integrated course to frozen ATPL (fATPL) is anywhere from £59,000 (source: Cabair) to

£69,500 (source: Oxford Aviation Academy). These prices do not include living costs, which are also rising. Fifteen years ago completion of a fATPL would, in general terms, be the last time that a potential career pilot would need to commit large sums of money on training. The fATPL was the culmination of a pilot's *ab-initio* training and the point at which he or she could apply for, and reasonably expect to get (if competent enough), a job in the right-hand seat of an airliner, albeit under some form of bonding scheme to ensure pilot loyalty. In 2011 it has become increasingly difficult to achieve the 'right-hand seat dream' with only a fATPL.

The introduction of self-sponsorship

Up until as recently as the late 1990s many larger airlines still offered sponsorships for professional flight training. Upon successful completion of aptitude assessments and interview boards, a candidate would be put through the same training, often with very little previous flying experience, that the current generation of future commercial pilots have to pay for today — upon successful completion of this training a candidate would not only be issued a fATPL but would then also have a guarantee of working for the airline that had provided the training — very few British and, indeed, European, airlines, now offer this type of sponsorship and, of those that do, the sponsorship will often involve long hours and many months (even years) of underpaid work before any form of flight training or ground school even begins. Nowadays it is the pilot, and in many cases the pilot's family, that bare the financial burden of flight training costs.



Self-sponsored type ratings

With the age of airline fATPL sponsorship almost entirely gone many operators now run their own in-house type ratings. According to one BMI training captain, who was interviewed for this article but wished to remain anonymous, in a tougher economic climate and with an abundance of pilots looking for first officer positions, it makes sense for airlines to charge pilots for type-ratings. Indeed, with many airlines making marginal profits and even losses, flight training is just another cost that needs cutting and, as long as there are pilots willing to pay for type ratings, airlines will take advantage of this.

However, many pilots that have opted for this course have found that upon becoming fully on-line (type-rating, base and line training completed), they are not given many flight hours as the airlines already have a steady stream of pilots coming through the type-rating training (in order to generate as much revenue as possible) that need to be base and line checked upon completing type-training.

Pay2Fly schemes

As self-sponsorship has become the norm, a few companies have begun to not only charge for type-rating training but are also offering the right-hand seat... for a price. One such company, Eagle Jet International (based in Miami, FL), offer numerous professional flight training courses but it is the courses that offer First Officer experience that have caused a stir among the pilot community, especially those looking for their first airline job.

For a JAA fATPL holder (who will have already spent between £40,000 and £70,000 — depending on whether training is modular or integrated), Eagle Jet offer a number of courses that include type-rating training, base and line-training and then offer successful candidates positions within airlines. No airlines are specified on the company website (www.eaglejet.net), however, it is well known to many that Indonesian carrier LionAir, is one of Eagle Jet's partner airlines. It was only in July 2009 that the European Community lifted the blanket flight ban on all Indonesian carriers, albeit only four airlines were permitted to fly in European airspace. LionAir, however, remains on the no-fly list. According to Aviation Safety Network, since being formed in 1999, LionAir aircraft have been involved in six accidents — two of which resulted in hull-losses, one of which was fatal. The Eagle Jet/LionAir scheme is not the



Indonesian carrier LionAir is still on the EU's safety blacklist — but has been modernising its fleet with newer aircraft such as these 737NGs.

only Pay2Fly scheme on the market. There are other airlines that offer the right-hand seat 'for sale' and Eagle Jet are not the only company who offer schemes like this but it is perhaps one of the best-known of these schemes and has already caused controversy among the pilot community.

What they say

To gain a wider view of the growth of Pay2Fly, a survey was sent to a number of industry professionals including training providers, airlines and pilots (both current airline and newly qualified) many of whom work with BALPA, in order to ascertain the current industry position on Pay2Fly. It is worth noting that airline pilot responses do not necessarily represent airline views. Many sources wished to remain anonymous to protect their jobs — as many airlines restrict staff from expressing personal opinions in the media. LionAir and Eagle Jet were also contacted for their comments but, at the time of going to press, no comment has been received.

Pay2Fly — from the inside

A source currently working as a First Officer for LionAir on an Eagle Jet Pay2Fly scheme, who wished to remain anonymous, had the

following to say regarding LionAir and Pay2Fly. "The cost of line-training for me was \$29,900 on top of the original [737] type-rating. It's a non-paying contract that lasts for one year from the day you fly and a minimum of 500 hours on type. I started in 2010 and started flying on the line in the summer". The source did not specify the cost of the original type-rating nor living costs in Indonesia. "We work 80-110 hours a month, so to [build] hours in a short space of time it is great, plus I'm rostered to do nearly 800 hours by the time I leave, so from a money point of view the more hours I do the cheaper the course has become." However, "There are a lot of things I would change about Lion and one is the scheduling. It is not stable and we are on standby constantly waiting for an SMS or phone call to say we are flying the next day."

He admitted there can be a language barrier on the flight deck: "yes there is one, but it depends who you fly with. The training captains are okay but the local captains can be poor," though they meet ICAO level 4 standard, it is worrying that on occasion the flight crew have difficulty communicating — not an ideal situation on any flight-deck — especially one where the FO may have very little line experience.

According to airfleets.net the LionAir fleet consists of a mix of Boeing 737 (including the newer NG variant), 747 and McDonnell

“the more hours I do the cheaper the course has become...”

Douglas MD-80/90 aircraft. The average age of the fleet is 8.2 years, this is brought down by the fact that the majority of the fleet (42 of 63) are 737NG aircraft — all of which are less than two years old, “[the fleet] is mostly brand new and have hardly any problems,” the rest of the fleet, however, are all more than 20 years old. With regard to the lack of base training he noted: “Base training isn’t given to the pilots because it’s not required if your type-rating required you to do one for the issuance of the rating, for example, JAA in this case. The FAA does not require base training for their rating but this is where they will fall short because to fly in most countries it is needed,” so for anybody joining LionAir with an FAA type-rating no base-training will have been done prior to flying passengers.

On the LionAir Pay2Fly experience the source sums up by saying: “[the course] is what you make it out to be, if you’re expecting European standards, this is not the place for you.”

Industry response

A captain who works for a major UK-based low-cost carrier had the following to say with regard to the increasing cost of professional flight training: “Pay to fly is rampant — the programmes out there are leading to bankruptcy, high levels of stress and fatigue for those concerned. [Students] are being grossly misled by training organisations and they don’t know what they are getting themselves into, by

the time they do it is too late. Flying with these individuals is putting a huge burden on line captains who are flying with low-hour cadets every day. This is a big safety issue but, unfortunately, the CAA is not listening and nor are the employers who will get away with it for as long as they can. Thus, unfortunately, we will probably have to see a hull wrapped round a mountain before anyone does listen.” Furthermore these schemes are leading to, “diminishing experience on the flight deck, an increasing reliance on automation and unfortunately... more incidents and accidents.”

Another respondent, a Senior First Officer with over 15 years industry experience believes that Pay2Fly schemes have been successful for numerous reasons. Firstly, the availability of student pilots willing (and able) to pay to fly. Secondly, the limited number of jobs available and the steady stream of FATPL holders coming out of flight schools. Furthermore, the respondent believes that as the industry expands again many airlines may come un-stuck, “once the industry expands again there will be a shortage of Captains and pilots with the required experience for promotion due to these schemes. Airlines like Ryanair who [employ] Pay2Fly pilots for a season but then replace them with other new Pay2Fly

pilots, could be hit hard by a lack of experienced FOs to promote.”

With regard to the consequences of British and European airlines adopting Pay2Fly, “[these schemes] drive down the terms and conditions for everybody to a point where not enough people want to train as airline pilots. Only then will we see terms and conditions improve. Alternatively we will get a Colgan Air scenario where pilots cannot afford a decent place to live and fly when tired or ill” and then, of course, safety becomes a major factor. However, this pilot believes that airlines will revert to traditional methods of recruitment

as the economy recovers and airlines begin to once again expand.



these schemes are leading to, “diminishing experience on the flight deck, [and] an increasing reliance on automation..”

‘Morally wrong’

One respondent happy to go on the record was Capt Alan Carter, a contract pilot and director of Simufly Ltd, an aviation instruction consultancy, has 30 years



of industry experience and had the following to say on Pay2Fly: “My personal opinion is that the concept is wrong. However, I can understand that these companies realise under the present economic conditions that they can do this, and are able to entice inexperienced pilots into their schemes, as there are very few other options open to these pilots.”

He added: “But paying for type ratings and base training through a ‘bonding’ scheme has been around for as long as I have been flying. I was bonded with Dan Air, Virgin Atlantic and Thomsonfly; schemes which I understand and agree with, as it engenders loyalty between the pilots and the company. However, bonding for line training is a scheme which in my opinion is morally unacceptable.”

When asked if he believed these schemes were a reaction to the current economic climate, and whether they would become obsolete as the economy recovered, Capt. Carter postulated the following: “In my opinion I believe that the precedent has been set and until the major airlines recognise a shortage of pilots entering at the bottom of their seniority lists which they need to train, and bond where necessary, these schemes will be around for some time; regardless of an upturn in the economy.”

He summed up: “I would personally like to see a fairer employment situation for newly qualified pilots, the majority of whom have



An office with a great view. But how much would you pay to work there?

Rudi Riet/Flickr

undergone huge financial sacrifices to obtain their qualifications. I personally do not agree to Pay2Fly schemes for line training. I understand why airlines feel the need to charge for type ratings in the current market, so long as these charges are set at realistic and not exploitative levels. In my opinion, charging for line training is morally wrong but the current economic situation allows these airlines to do this. Whether the economic situation in the future allows them to do this, well, I hope it doesn't."

A frozen ATPL pilots view

Sean Callaghan, an IT consultant and frozen ATPL holder since March 2009, has been trying to get into the right-hand seat of an airliner for nearly two years. He currently flies part-time (without pay) for a small operator based at Shoreham, in the UK, and also works on the BALPA Training Committee. Sean started flying in 2002 and went on to take the necessary training to gain a fATPL — because he was entirely self-funded Sean undertook a modular course that allowed him to continue working full-time in order to fund training.

Sean has carried out a lot of his own research in his hunt for an airline job and as part of his work for BALPA. He believes it is unjustified for airlines to charge potential employees for type ratings and line training, stating: "Employers should pay for training on their own aircraft. Employees in other professions such as IT, expect their employers to pay for training as part of operating their businesses," furthermore, many operators profit from these activities, often charging more than the actual cost of the training itself.

With regard to Pay2Fly becoming obsolete as the economy recovers, Sean believes this will not be the case, "when the economy was better these schemes were more popular as financing was easier to gain." Furthermore, he believes that modular pilots, such as himself, will struggle to get airline jobs either fresh from training or with experience, "as long as the pilot training organisations have agreements in place to supply [the airlines with] pilots." Through these schemes "modular pilots will look at self-funded ratings or Pay2Fly schemes to be able to gain employment", adding that airlines don't advertise jobs because these companies (which generally charge more for training) have agreements to supply pilots.

On the topic of whether European airlines would hire Pay2Fly graduates from schemes such as Eagle Jet/LionAir Sean responded: "many of these scheme's run line training outside of Europe, with operators that are not



Bombardier Q400 with Continental Connection — similar to the one lost by Colgan Air in 2009. Some worry that continued financial pressure on new pilots will impact safety.

JAA/EASA member states. Further to that, some European airlines have questioned the quality of the initial training."

Finally, Sean believes that should British/European airlines begin adopting similar schemes to that of Eagle Jet/LionAir on a large scale, the MPL (Multi-Crew Pilot Licence) would become more popular for those looking for direct-entry airline positions.

Campaigning for a better deal — FairPlane

In fact so concerned are some that a campaign has been set up to press for 'flight training fairness'. Jane Desforges, founder of the FairPlane campaign (www.fairplane.org.uk), has a passionate wish to see 'social mobility' within the profession. Jane believes that Pay2Fly has come about because of "unethical companies taking advantage of vulnerable and desperate students," and that, "airlines should cover the cost of the type rating and then the pilot would be tied into a [bonding scheme]... I think that charging for the type rating when the student has already had to cover the massive cost of frozen ATPL training is too much." With regard to these schemes becoming obsolete in the future Jane is unsure if this will be the case, "certain companies have found a way to milk extra money and they are getting away with it... Why would they change their ways?"

Jane believes that the consequences of Pay2Fly being more widely adopted in the UK and Europe is that flight-crew competence could be compromised, "money would speak so much louder than competency, the airlines would be more interested in whether a pilot

could pay and young pilots would be willing to take whatever they could," furthermore there would be "Increased monetary pressure on future pilots... and an overall drop in the UK air industry's reputation". To sum up, Jane purports: "without a change in the way of thinking from the airlines and with the pressures on them to be viable profit-making businesses this is just another way for them to save money".

Conclusion

It is becoming more and more expensive to train as an airline pilot these days, and not just in terms of the basic cost of flight training. The experience requirements set by airlines are almost unattainable unless you have near limitless financial backing. The general consensus garnered from the research is that, while many believe Pay2Fly in one form or another may be here to stay (though some believe it will decline as the economy recovers and pilot supply decreases/airline demand increases), it is wholly unfair on new pilots. With ever worsening terms and conditions and decreasing salaries as well as increasing costs for training, it is a wonder that there are still as many trainees as there are.

Pay2Fly schemes, make good short-term business sense from an airline perspective in that they do reduce airline costs, however, in the medium to long-term, and with a pilot shortage imminent, it may only be a matter of time before some airlines begin to buck the trend and begin hiring fledgling FOs straight out of fATPL training, albeit under some sort of bonding scheme. It is this author's opinion, however, that there will always be a place for Pay2Fly because there will always be those willing, and able, to pay to fly. ○