

Research – White Paper

Philippine Commercial Airline Pilots to Fill the Pilot Shortage Gaps in the United States

Author: Michael Lee, Vice President of Smart Development Institute

Date: February 1, 2023

Objective:

The Smart Development Institute (SDI), a certified IRS 501(c)(3) non-profit firm, bridges communities via collaboration and communication, to improve the quality of life of the citizens of communities. The following research asks the questions and seeks the answers, necessary to help SDI better understand the challenges faced by our members in the Airline Industry, and to position our communities to better navigate the post-COVID-19 era of commercial aviation, in the United States and abroad.

Is there a need for more licensed commercial pilots in the United States?

The demand for licensed commercial pilots in the United States is constantly evolving and depends on various factors, such as economic growth, airline industry trends, and government regulations.

Prior to the COVID-19 pandemic, there was a high demand for licensed commercial pilots in the United States, and this demand was projected to continue for the foreseeable future. However, the pandemic has had a significant impact on the airline industry, leading to a decrease in demand for pilots.

As the world begins to recover from the pandemic, it is expected that the demand for pilots will increase once again. According to Boeing's 2021 Pilot and Technician Outlook, there is a projected demand for 612,000 new commercial airline pilots globally over the next 20 years, with the majority of the demand coming from the Asia-Pacific region. In the United States specifically, the outlook projects a demand for 97,000 new pilots over the same period.

It is important to note that the pandemic has also led to significant layoffs and furloughs of pilots, and many experienced pilots may be available to re-enter the workforce once the industry begins to recover. Additionally, advancements in technology, such as the increased use of drones and autonomous aircraft, could potentially impact the demand for human pilots in the future.

Overall, while the pandemic has had a significant impact on the airline industry and the demand for pilots, it is still likely that there will be a need for licensed commercial pilots in the United States in the coming years.



Are there enough student commercial pilots in the accredited airline pilot programs in the United States to cover this demand?

The number of student commercial pilots in accredited airline pilot programs in the United States varies from year to year. Furthermore, there are several factors that can impact the number of students entering and completing commercial pilot training programs. One such factor is the cost of training, which can be significant enough to deter some individuals from pursuing a career as a pilot. Another factor is the availability of training opportunities, as not all regions may have adequate training programs or access to flight schools.

Additionally, the pandemic has had a significant impact on the airline industry and the demand for pilots, and it remains to be seen how this will impact the number of students entering commercial pilot training programs in the coming years.

It is also worth noting that while there may be a need for a certain number of new pilots over the next few decades, not all of these pilots will necessarily come from traditional commercial pilot training programs. Some individuals may come from military backgrounds, while others may transition from other aviation-related careers.

So, while the demand for pilots in the coming years is projected to be high, it is difficult to determine whether there will be enough student commercial pilots in accredited airline pilot programs to cover this demand. Factors such as cost, availability of training opportunities, and the impact of the pandemic may all play a role in shaping the supply of new pilots in the years to come.

Can US-based airlines hire commercial pilots from overseas?

Yes, US-based airlines can hire commercial pilots from overseas, but there are certain requirements and regulations that must be followed. In order for a foreign national to be employed as a commercial pilot for a US-based airline, they must hold the appropriate US Federal Aviation Administration (FAA) certifications and be authorized to work in the United States.

The FAA requires that all pilots, whether domestic or foreign, meet certain requirements in order to operate commercial aircraft in the United States. These requirements include holding a commercial pilot's license, meeting minimum flight experience requirements, and passing various FAA practical exams.

Foreign pilots who wish to work for a US-based airline must also obtain the appropriate work visa or authorization to work in the United States. This may involve obtaining a temporary work visa, such as an H-1B visa, or obtaining permanent resident status through the green card process.

In addition to meeting FAA requirements and obtaining work authorization, foreign pilots who wish to work for US-based airlines must also pass the airlines' specific hiring process and meet their qualifications and requirements. This may involve additional training or experience, such as specific flight hours, language proficiency, or other skills.

Can foreign pilots obtain additional training in the US to meet the required FAA certification?

Yes, foreign pilots who wish to obtain additional training and obtain a pilot's license in the United States are able to do so. The FAA allows foreign nationals to obtain training and certification for



various pilot licenses and ratings, including private pilot, commercial pilot, and airline transport pilot (ATP) certificates.

In order to obtain a pilot's license in the United States, foreign pilots must meet the same FAA requirements as US citizens and residents, including meeting minimum flight experience requirements, passing various FAA practical exams, and completing the necessary training. Again, they must also obtain the appropriate visa or work authorization to stay in the United States and receive the required training.

Some foreign pilots, depending on their home country and the type of license they wish to obtain, may need to meet additional requirements to obtain a US pilot's license. For example, pilots from countries that do not have a bilateral agreement with the United States may need to undergo additional training or take additional exams to obtain a US license.

Could the Philippines be a source of licensed commercial pilots for work in the USA?

Yes, the Philippines is known for producing a large number of licensed commercial pilots, and many Filipino pilots have been hired by US-based airlines in the past. In fact, the Philippines is one of the top sources of foreign pilots for US-based airlines.

There are several reasons why the Philippines has become a source of licensed commercial pilots for work in the USA. One reason is that the country has a well-established aviation industry and a number of flight schools and training centers that offer pilot training. Additionally, the cost of pilot training in the Philippines is often lower than in other countries, which can make it an attractive option for aspiring pilots.

Additionally, many Filipino pilots speak English fluently, which is a requirement for working as a commercial pilot in the United States. Moreover, some Filipino pilots have gained experience working for regional airlines in the Philippines or other countries, which can make them attractive candidates for US-based airlines.

Nevertheless, for a Filipino pilot to work for a US-based airline, they must meet the same FAA requirements as any other foreign national. This includes obtaining the appropriate FAA certifications and work authorization to work in the United States.

While the Philippines could be a source of licensed commercial pilots for work in the United States, the process of obtaining the necessary certifications and work authorization can be complex and may require significant effort and resources on the part of the pilot.

Are there any existing agreements concerning this between the Federal Aviation Administration and its Philippine counterpart?

Yes, the Federal Aviation Administration (FAA) and the Civil Aviation Authority of the Philippines (CAAP) have a long-standing partnership and a number of agreements in place related to aviation safety and training.

One key agreement between the FAA and the CAAP is the Bilateral Aviation Safety Agreement (BASA), which was signed in 2014. The BASA is a framework agreement that sets out the regulatory



cooperation between the FAA and the CAAP with respect to safety oversight, certification, and maintenance of aeronautical products and services.

Under the BASA, the FAA and the CAAP have established mutual recognition of their respective certifications for a number of aviation products and services, including pilot licenses. This means that pilots who hold a Philippine license can have their license validated by the FAA, and vice versa. This can help to facilitate the transfer of pilots between the two countries.

In addition to the BASA, the FAA and the CAAP have established other agreements related to aviation safety and training. For example, the FAA has provided training and technical assistance to the CAAP in areas such as air traffic control, aviation safety management, and airport design and management. The two agencies also have a number of ongoing initiatives related to safety oversight and training.

The strong partnership and the numerous aviation safety and training agreements in place between the FAA and the CAAP, can help to facilitate the transfer of pilots and other aviation professionals between the Philippines and the United States. This can contribute to the overall safety and efficiency of the aviation industry in both countries.

Pilots licensed in the Philippines are allowed to fly commercial traffic in the US, for example as pilots for Philippine Airlines. Could this be a basis for allowing more Philippine pilots to train in the US?

Yes, pilots licensed in the Philippines are allowed to fly commercial traffic in the United States, subject to meeting the appropriate FAA requirements for flight experience, training, and proficiency; and obtaining the necessary work authorization. For example, if a Filipino pilot is employed by Philippine Airlines and is assigned to fly a route to the United States, they would need to obtain the appropriate visa or work authorization to work in the United States and meet the FAA's certification requirements for the type of aircraft they are flying.

The fact that Philippine pilots are able to fly in the United States could be a basis for allowing more Philippine pilots to train in the US, as it demonstrates that the FAA recognizes the qualifications and training of Philippine pilots

Thus, while the fact that Philippine pilots are able to fly commercial traffic in the United States could be an indication of the FAA's recognition of the quality of training provided in the Philippines, it is important to note that foreign pilots who wish to work in the United States must still meet the same FAA requirements as any other pilot.

Is there a market for renting Philippine pilots to US Airlines on a temporary staff basis?

It is possible that there may be a market for renting Philippine pilots to US airlines on a temporary staff basis, particularly if there is a shortage of qualified pilots in the United States. However, there are several factors that would need to be considered.

Firstly, there may be legal and regulatory issues to navigate when it comes to employing foreign pilots on a temporary basis in the United States. Depending on the length of the assignment and other factors, it may be necessary for the pilots to obtain the appropriate visas or work authorization in order to legally work in the United States.

Secondly, it may be more challenging for US airlines to manage a workforce that is geographically dispersed and not based in the United States. This could potentially create logistical and communication challenges that would need to be addressed.

Thirdly, US airlines would need to assess the qualifications and experience of the pilots being considered for temporary staffing, and ensure that they meet the necessary FAA requirements and standards for working as commercial pilots in the United States. This could require additional training or certification in order to bring the pilots up to the necessary standards.

Finally, there may be financial considerations to take into account when it comes to temporary staffing. While the cost of training pilots in the Philippines may be lower than in the United States, there may be additional expenses associated with temporary staffing, such as transportation and housing costs for the pilots.

So, while there may be a market for renting Philippine pilots to US airlines on a temporary basis, it is important to carefully consider the legal, regulatory, logistical, and financial factors involved, as well as the training qualifications and experience of the pilots being considered.

Is there a market for providing US commercial airlines with trained Philippine pilots as a staffing company?

It is possible that there may be a market for providing US commercial airlines with trained Philippine pilots as a staffing company. This could potentially be a solution for airlines that are struggling to find enough qualified pilots to meet their needs, particularly if the training costs and other expenses associated with hiring pilots from the United States or other countries are prohibitively high.

However, there are several factors that would need to be considered when setting up a staffing company to provide Philippine pilots to US airlines. These may include:

1. **Regulatory compliance:** The staffing company would need to ensure that the Philippine pilots it is providing to US airlines meet the necessary qualifications and certifications required by the FAA, as well as any other relevant regulatory agencies. The staffing company would also need to ensure that it is compliant with any applicable employment and immigration laws.
2. **Quality control:** The staffing company would need to establish quality control measures to ensure that the pilots it is providing are of a high standard and are able to perform their duties effectively and safely.
3. **Cultural and language differences:** The staffing company would need to address any potential cultural or language differences that may arise when providing Philippine pilots to US airlines, in order to ensure effective communication and collaboration between pilots and other staff.
4. **Logistics:** The staffing company would need to consider logistics such as transportation, housing, and other support services for the pilots it is providing, particularly if they are relocating to the United States for the duration of their employment.
5. **Cost considerations:** The staffing company would need to carefully consider the cost of providing Philippine pilots to US airlines, taking into account factors such as training costs, logistics, and the salaries and benefits offered to the pilots.



Finally, while there may be a market for providing US commercial airlines with trained Philippine pilots as a staffing company, it is important to carefully consider the regulatory, logistical, cultural, and cost factors involved. Additionally, it would be important to establish a robust recruitment and training process to ensure that the pilots being provided are of a high standard and meet the necessary qualifications and certifications required by the FAA and other regulatory agencies.

Conclusion:

SDI's Smart Technologies may facilitate collaboration between our members in the US and the Philippines, bridging the two well-established aviation industries and building upon existing collaborations, to help secure sufficient qualified and experienced pilots to meet the expected demand in the US. And the desired outcome would be commercial and labor agreements that benefit the members of both communities, while providing safe and high-quality airline services across the United States and around the world.