

AUSTRALIAN FEDERATION OF AIR PILOTS

# THE AUSTRALIAN FEDERATION OF AIR PILOTS (AFAP)

# SUPPLEMENTARY SUBMISSION TO THE STANDING

# COMMITTEE ON RURAL AND REGIONAL AFFAIRS AND

# TRANSPORT

# OF THE

# **AUSTRALIAN SENATE**

# INQUIRY INTO THE FUTURE OF AUSTRALIA'S AVIATION

# SECTOR, IN THE CONTEXT OF COVID-19 AND CONDITIONS

### **POST PANDEMIC**

SEPTEMBER 2021

The future of Australia's aviation sector, in the context of COVID-19 and conditions post pandemic Submission 3 - Supplementary Submission

Supplementary Submission of the Australian Federation of Air Pilots

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Safety and Technical Director Australian Federation of Air Pilots The future of Australia's aviation sector, in the context of COVID-19 and conditions post pandemic Submission 3 - Supplementary Submission

### Supplementary Submission of the Australian Federation of Air Pilots

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#### Background

- 1. The Australian Federation of Air Pilots (AFAP) represents over 5,500 professional pilots in aviation safety and technical matters and is the largest professional pilot association in Australia. We engage in reforms through our active safety and technical committee, which is a major contributor to the development of Australian and international aviation safety standards. The AFAP is also a foundation member of the International Federation of Airline Pilots' Associations (IFALPA), the global body representing professional pilots worldwide, through which the AFAP contributes to international aviation standards within the International Civil Aviation Organisation (ICAO).
- 2. As a key stakeholder in the aviation industry, the AFAP welcomes and appreciates the opportunity to provide further input into the Senate Standing Committee inquiry into the future of Australia's aviation sector, in the context of COVID-19 and conditions post-pandemic.

#### **Executive Summary and Recommendations**

- 3. This is a supplementary submission that aims to build upon the positions provided in our initial submission to this Inquiry. That submission should be referred to form the basis of our positions, including the importance of aviation to Australian society and the urgent need for government support and leadership to support pilots to be job-ready for the economic recovery.
- 4. The AFAP reiterates that as a vast and decentralised country, economic recovery cannot occur in Australia without a robust and viable aviation industry. The descriptors of the existing range of measures and packages to support the industry and maintain air connectivity for Australians all cite the significant importance of aviation to the economy and community. The AFAP supports these initiatives however, we also identify a critical missing element to these packages.
- 5. As Australia progresses out of the pandemic, and the associated economic stress, there is a real risk that the time required to progress pilots back to being job ready will lead to impediments to service provision and capacity. We refer to this as the pilot "training pipeline", which necessarily can't be rushed for safety and compliance purposes. Thus, without a program that anticipates the impending pilot resources shortfall and that targets assistance to return professional pilots to a job ready status, the benefits and connectivity from aviation that the existing programs cite as a basis will be undermined and hampered.
- 6. The AFAP stressed that targeted job ready training assistance needs to be funded by the government due to the financial circumstances of individual pilots. Furthermore, air service providers have also been impacted by pandemic related financial stress. Thus, the prospects for snap-back type circumstances to pre-pandemic status for most disadvantaged and non-flying pilots should be considered unrealistic without government funding.
- 7. Previously we have stressed a measure of urgency for the establishment of the proposed program. Since then we have become aware of recruitment initiatives from airlines in the USA, some of which are targeting pilots from other nations and Australian pilots are a key recruitment target. Some of these operators are offering large sign-on bonuses and retention payments. Additionally, a Boeing pilot-technician outlook for the Asia Pacific region is for pilot requirements numbering two hundred and fifty thousand over the next 20 years.

- 8. These factors underscore our earlier emphasis on a need to expeditiously initiate a program to reengage non-flying Australian pilots back into the Australian aviation sector.
- 9. This supplementary submission articulates and outlines the details of the revised and refined proposed Job Ready Pilot (JRP) program, including a tiered approach to the pilot training program.
- 10. The AFAP makes some key recommendations regarding a JRP program and calls on government cooperation to fund and administer the program.

#### Issues related to pilot skills retention and training

- 11. AFAP survey results (as outlined in our initial submission) and subsequent recent assessments reveal that a cohort of approximately 1000 Australian professional pilots remain unterhered to any ongoing pilot employment.
- 12. Skills retention and training is a particularly expensive exercise for pilots. With safety as a necessary priority, certification and currency of pilot skills is an essential element that expires and requires recertification and assessment periodically.
- 13. The longer a pilot is away from active flying duties, the higher the total cost and longer the likely timeline to reactivate them to a job ready status. The training-pipeline for these pilots can take time but the end of this pipeline cannot be brought forward if we delay the initiation of the front end of this same training pipeline.

#### Job-Ready Pilots Program proposal

- 14. The AFAP recently engaged with the Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) during the months of July, August and September 2021 to further discussions re the prospects of a government supported JRP program. As a result of those discussions, and further considerations of the factors of the pilot training pathway, we have revised and refined our original JRP proposal along the following lines.
- 15. The revised program is summarised in Table A below. This should be understood with the following associated considerations:
  - a. The program should be open to pilots who have previously been instrument rated in a professional flying role. I.e. pilots who were employed and flying before the pandemic but are not currently employed in a flying role.
  - b. The intent of the program isn't to have it applied to pilots who have newly obtained their flying license (that cohort aren't "returning" to the sector).
  - c. Pilot skills deteriorate but can be reinvigorated with regular training and practice.
  - d. Some flying practice is better than none but a structured program of recurrent training is better than ad hoc and unstructured recurrent flying practice.
  - e. Not all participants in the program will need to undertake every aspect of the program.
  - f. Tier 1 aspects are included due to the cost impost on pilots and the time they take to action and process. Pre-emptively moving on these will aid in expediting pilots back to operational service.

- g. Practice to raise and return pilot skills can be achieved through a Fixed Base Simulator (lower grade, not suitable to log instrument flight hours) Tier 2.
- h. Tier 3 To achieve an Instrument Proficiency Check (IPC), the use of a simulator recognised by the Civil Aviation Safety Authority (CASA) is required. Referred to as a Full Flight Simulator (FFS) / Full Fidelity. Alternatively;
- i. Tier 3 may be conducted in a light piston engine aircraft instead of an FFS depending on the choice of the program participant related to their likely next step in their flying career.
- j. Many operators will require newly employed pilots to undertake in-house regulatory approved training. It is envisaged that these pilots may not require Tier 3 of the program. However, the pre-training (Tier 2) for these pilots prior to commencing operator specific in-house training will enhance the efficiencies and outcomes of that in-house training. This can minimise training event repeats (saving time and money for operators and returning pilots to service expeditiously).
- k. Tier 2 need not be limited to a fixed base simulator if the locality and availability of a full flight simulator is preferrable.
- I. Many simulated training sessions can involve a compliment of two pilot participants, each swapping rolls between Pilot Flying (PF) and Pilot Not Flying (PNF) roles.
- m. Supplementary Tier: the provision of support for pilots to maintain their loss of licence insurance cover is critical for a pilot's financial wellbeing. Normally this is supported through a provision in the Pilots' Award or through Enterprise Agreements. Continuous coverage is important because if coverage lapses, then any event that renders a pilot medically unfit to pass the pilot medical certification requirements also means that they are excluded from realising the financial compensation for the loss of their pilot career. Forever remaining at a financial disadvantage. Inclusion of this aspect protects their investment of time, money and experience – promotes continued participation.
- n. The percentages provided in the Anticipated Participants column (Table A) represent the anticipated percentages of the total program participants in each tier or program phase.
- o. The AFAP anticipates 1000 plus pilots to participate in the program in one form or another.
- p. Some pilots participating in the program will require travel and accommodation expenses covered too, where pilot is remote from a training facility.
- 16. The AFAP proposes that the administration structure and logistics have two main considerations. The funding and eligibility criteria of the program be administered through the DITRDC. With regards to the technical administration aspects of the program, CASA would be a more suitable agency to manage these aspects. Additionally, the AFAP suggest that this CASA led technical management be advised through an Aviation Safety Advisory Panel (ASAP) Technical Working Group (TWG). Suitable composition of the TWG would include representatives from Flight Simulator training organisations, key airline training representatives, ASAP members, AFAP Safety & Technical staff and General Aviation (GA) training providers.

Table A         Job Ready Pilot Program – Tiers & Phases				
JOB READY PILOT PROGRAM – TIERS & PHASES				
F	PROGRAM TIER	TRAINING & PROGRAM PHASE	RENEWAL CYCLE / TIME	ANTICIPATED PARTICIPANTS
TIER 1	Mandatory Annual & Biannual Certifications	Aviation Medical Certificate renewed	Annually (Or biannually for pilots aged 60 & over)	80-90%
		Aviation Security Identification Card (ASIC), including photos.	Biennial	60-70%
	Flight Training Device (FTD) Minimum Viable Practise and Confidence	Simulator Session 1: Focus on Normal procedures, scans, and flows. Exercise to simulate a whole flight from Pre- flight right through to landing and parking.	4 hours (2 hours each pilot)	75%
TIER 2		Simulator Session 2: Focus on normal procedures and One-Engine inoperative exercises, Instrument approaches, Go-around exercises etc.	4 hours (2 hours each pilot)	75%
		Simulator Session 3: Practice exercises from previous sessions as needed to build confidence and consolidate.	4 hours (2 hours each pilot)	75%
	Documentation	Supply of current Aircraft Type Manuals	N/A	75%
	Either utilising a: 1. Light piston twin engine aircraft; or	TIER 3A: Tier 2 - I.e. first phase of Tier 3 includes the 3 practices sessions from tier 2.	4 hours (2 hours each pilot)	40-50%
TIER 3	2. Full Flight Simulator (FFS) Practise for	TIER 3B: At least one practise simulator session or flight, to prepare for check flight of IPC.	4 hours (2 hours each pilot)	40-50%
	Instrument Proficiency Check (IPC) and IPC Check.	TIER 3C: A flight or simulator session, to conduct actual proficiency check flight of IPC	4 hours (2 hours each pilot)	40-50%
SUPPLEMENTARY	Loss of Licence Insurance subsidy	Loss of licences/medical certificate support. Provide bridging financial protection to pilots in the event that they lose their medical (due to an accident or health issues) for the period prior to returning to an employed flying role.	Annual	50-90%

### Table A Job Ready Pilot Program – Tiers & Phases

#### CASA recognition of Tier 2 and 3 (specific to an Operator's approved training program)

- 17. Most operators will have specific regulatory-approved inhouse training programs. Whilst a large cohort of JRP program participants will likely undertake a generic training program, for many it will be more suitable if their training program stream was able to mimic specific operator based training. This would enable the avoidance of a doubling up of training for some pilots whilst at the same time reducing the burden on the finite training resources of operators. This will in turn help to expedite pilots back into operational service.
- 18. In order to ensure that the JRP program can be recognised by both the regulator and operators for this purpose, the AFAP has been liaising with senior CASA managers.
- 19. The AFAP is aware that CASA and DITRDC have also been in discussion regarding this aspect too.

#### **Training Providers**

- 20. The following tables contain a list of simulators and providers that could be utilised in the program.
- 21. Table B specifically includes organisations which the AFAP has communicated with and had confirmed they are interested and able to participate.
- 22. Simulator types and their use: Fixed Base simulators are not suitable for Tier 3 of the program. Whereas full fidelity (FFS) simulators are a must for use in Tier 3 but may also be used for Tier 2.

JOB READY PILOT PROGRAM – PROVIDERS & SIMULATORS			
SIMULATOR PROVIDER	SIMULATOR AIRCRAFT TYPE	LOCATIONS	FIXED BASE OR FULL FIDELITY
Ansett Aviation	Boeing 737	Melbourne,	Full Fidelity
Training		Brisbane	Full Fidelity
	Airbus 320	Melbourne	Full Fidelity
	Boeing 717	Brisbane	Full Fidelity
	Bombardier Dash 8	Melbourne	Full Fidelity
	Metroliner Types	Melbourne	Full Fidelity
	Beechcraft KingAir	Melbourne	Full Fidelity
	Sunshine Coast		Full Fidelity
	Other Jet and	Melbourne	Full Fidelity
	Turboprop types		
Flight Experience	Boeing 737	Adelaide	Fixed Base
		Brisbane	Fixed Base
		Melbourne	Fixed Base
		Perth	Fixed Base
		Sydney	Fixed Base
Uni of NSW	Boeing 737	Sydney	Fixed Base

### Table B Job Ready Pilot Program – Providers & Simulators

23. Table C includes simulator providers and their simulators that could possibly be included in the program. This list is not exhaustive and nor is it confirmed that any or all of the providers and their simulators would be available for use in the program. Table C is included for the purposes of widening the scope of considerations. This table also includes a link to CASA recognised simulators, which can be used to expand on the indicative contents of Table B too.

Table C Example Alternative Simulators / Providers			
EXAMPLE ALTERNATIVE SIMULATORS / PROVIDERS			
SIMULATOR PROVIDER	SIMULATOR AIRCRAFT TYPE	LOCATIONS	FIXED BASE OR FULL FIDELITY
Jet Flight Simulator	Boeing 737	Adelaide,	Fixed Base
		Canberra	Fixed Base
		Newcastle	Fixed Base
		Perth	Fixed Base
Qantas	Boeing 737	Sydney	Full Fidelity
	Airbus 330	Sydney	Full Fidelity
	Boeing 787	Melbourne	Full Fidelity
	Bombardier Dash 8	Sydney	Full Fidelity
		Melbourne	Full Fidelity
	Others See link below.		
Flight Training	Airbus 320	Adelaide	Fixed Base
Adelaide			
Others	Other Simulators exist in the country. CASA provides this list of simulators		
	that it recognises: Flight simulators and training devices   CASA		
	Including aircraft types: KingAir, SAAB, Fokker types, Embraer types,		
	others.		

### Table C Example Alternative Simulators / Providers

#### Cost / Benefit Considerations

- 24. The existing assistance programs established by government for the aviation sector repeatedly emphasise the benefits, and indeed the necessity, of aviation service provision in Australia. This is further thoroughly underscored by the quantity of funding allocated through these programs (see Table D below).
- 25. The JRP program would align with the basis for these programs but supplement one area which they do not provide any assistance. Thus, a key benefit from establishing a JRP program is that it will enhance the likelihood of the success of the existing aviation assistance programs.
- 26. A cost for not establishing a JRP program would be that the existing programs will have reduced effectiveness due to a "weak link" remaining in the overall chain.
- 27. Whilst we anticipate a cohort of approximately 1000 pilots in the program, we also anticipate that all pilots won't need to participate in all tiers of the proposed program. Thus, the costs associated with each pilot in the program will vary.
- 28. A conservative assessment of 500 pilots in the JRP with an average cost of \$6000 per pilot equates to a total spend of \$3 million. A slightly more realistic appraisal of 1000 pilots at an average cost of \$6000 equates to JRP program cost of \$6 million. A less conservative anticipated spend for 1000 pilots at an average cost of \$9000 equates to a JRP program cost of \$9 million.
- 29. Given that the exact training requirements for each pilot in the program need to be tailored for the training needs of each pilot, and that some pilots will require travel and accommodation expenses to be included, we suggest that the available funding allocated to the JRP program should be up to \$10 million. However, the AFAP believes that if travel and economic

circumstances return to a relative normal level in the coming months, then an under spend on the total proposed JRP funding allocation could be reasonably expected.

- 30. Whilst the immediate benefit of the proposed JRP program is upon the benefits of motivating the training pipeline for pilots and the benefits that this provides for the wider community and economy, the JRP will have secondary benefits for sectors of the aviation industry too.
- 31. If the Govt implements the JRP as we propose, there would be a benefit for General Aviation (GA) training providers. Add to that, that pilots that participate in the program could take up a position in a GA operator. These two aspects would be of some benefit for the GA sector, which is a sector of the aviation community that has largely missed out on targeted aviation assistance.

EXISTING ASSISTANCE TO THE AVIATION SECTOR			
PROGRAM NAME	PROGRAM PURPOSE	DATE / DURATION	TOTAL AMOUNT AVAILABLE (AUD)
Aviation Services Accreditation Support (ASAS)	Support for mandatory training, certification, and accreditation to ensure aviation support workers are ready to be stood up and their employers can meet operational needs as demand increases.	29 March to 30 September 2021	\$52,000,000
International Aviation Support (IAS)	Support to maintain a core Australian international aviation capability and ensure airlines can quickly recommence international flights as restrictions lift. Includes a pilot training aspect for <i>employed</i> pilots.	April to October 2021	\$200,000,000
Retaining Domestic Airline Capability (RDAC)	Assist airlines maintain core sovereign domestic aviation capabilities, through the retention of essential aviation sector skills and knowledge. Includes a pilot training aspect for <i>employed</i> pilots.	2 August to 24 October 2021	\$130,000,000
Other programs (combined)	DASCS, TANS, RANS, DANS, AAFRP, RAFA, IFAM.	Various (March 2020 to Dec 2021 inclusive)	\$2,693,600,000
TOTAL ASSISTANCE OFFERED		\$2.7456 (+) Billion	
DITRDC / Aviation: <u>https://www.infrastructure.gov.au/aviation/</u> GrantConnect: <u>https://www.grants.gov.au/</u> AusTrade: <u>https://www.austrade.gov.au/news/news/international-freight-assistance-mechanism</u>			

### Table D Existing Assistance to The Aviation Sector

Table L Proposed Assistance to The Aviation Sector			
PROPOSED ASSISTANCE TO THE AVIATION SECTOR			
PROGRAM NAME	PROGRAM PURPOSE	DATE / DURATION	TOTAL AMOUNT PROPOSED (AUD)
Job Ready Pilot (JRP) Program	Support for training, certification, and accreditation to ensure air pilots are ready to be returned to operation and employment.	(Proposal – TBC)	\$10 Million

### Table E Proposed Assistance to The Aviation Sector

#### Recent Learning Outcomes from a JRP program Trial

- 32. In the six months leading up to this submission, the AFAP Safety and Technical department assisted a small number of pilots to participate in a JRP program equivalent, which also served as a test and learning opportunity for the merits of the program and further development of it.
- 33. Select learning outcomes related to the length of time associated with the training pipeline include:
  - a. These participant pilots had not flown for 18 months.
  - b. Typical pre-preparation time for the aviation theory element of a JRP program was approximately two weeks (4 hours per day);
  - c. An additional one week review time for CASA regulations, procedures and rule changes (4 hours per day);
- 34. Anecdotal feedback from the trial program participants included that the renewing of their skills made them feel refreshed, confident, reconnected to the aviation industry, and mentally prepared for pilot employment and company-based training. This included typical comments such as, "it took away the mystery", felt "very confident", and "felt like a pilot again".

#### Aviation Sector Stakeholder Consultation and Engagement

- 35. The AFAP has engaged with CASA regarding the JRP program proposal. Given that an intended aim of the JRP program is for it to mimic specific operator based training in some circumstances, and that normally operator specific training is usually run "in-house" by each operator, discussions with the regulator on this element have been necessary.
- 36. These discussions have been productive and have progressed positively. We believe an accurate portrayal of the response from CASA is that the JRP program concept is akin to the training and checking model promoting the good practice notion of doing relevant refresher training prior to being checked for competency. Furthermore, feedback from CASA has included that the use of training opportunities to regain competency in a constructive way is a desirable safety orientated approach. A senior CASA manager was involved in providing a briefing to the check and training pilots involved in the JRP trial program.

- 37. CASA has communicated that they would commit to assist JRP program concept progress and support the JRP program if it was implemented.
- 38. The AFAP has engaged with various aviation sector stakeholders, including airlines, GA training providers and operators, industry associations and industry leaders. Of particular note, airline representatives have said that pilots turning up with prior job ready training would reduce their 'training footprint' by at least two company simulator sessions, saving at least 22% of training cost per pilot for the company. Also, the increased confidence in the pilot will help them get operational and flight ready faster.
- 39. Stakeholders from the GA sector that the AFAP has engaged with have responded positively at the prospect of the program providing training provision opportunities for training organisations and possibly a cohort of job ready pilots available to take up positions within the broader GA sector too.

#### **Summary and Recommendations**

- 40. The AFAP believes that there should be no question that Australian's aviation sector is an integral and key enabler in supporting the economic and social wellbeing of all Australians. The hardships experienced by the regions and communities that are heavily dependent upon tourism are prime examples of the economic activity and prosperity enabled and enhanced through aviation related service provision.
- 41. The AFAP asserts that without the implementation of innovative industry specific steps to address the issue of significant and impending pilot attrition from the industry, the Australian community and economy will be negatively impacted for many years.
- 42. Fund and implement a Job Ready Pilot program to return Australian pilots to ensure a pool of skilled experienced pilots can service the Australian community's economic and social needs.
- 43. Consider that the DITRDC would be placed best to administer the funding and eligibility of the JRP program and CASA would be most suitable to administer the technical aspects, which should be informed through the establishment of a TWG that engages key aviation sector expertise in the development of the JRP program.
- 44. Existing aviation assistance program funding allocations are approaching the \$3 billion mark and in comparison, for an anticipated program fund of only up to \$10 million, the question should really be: *Can Australia afford not to fund and establish a Job Ready Pilot program*?
- 45. The committee should refer to our main submission to the Inquiry for other specific recommendations.

#### Link to the AFAP's main submission:

46. <u>https://www.aph.gov.au/DocumentStore.ashx?id=c937dd9f-8935-483e-a1e9-3195128a635c&subId=699627</u>

Australian Federation of Air Pilots September 2021