



**AUSTRALIAN FEDERATION
OF AIR PILOTS**

**THE AUSTRALIAN FEDERATION OF AIR PILOTS (AFAP)
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
DECEMBER 2020**

Sent via email: rrat.sen@aph.gov.au

Friday, 18 December 2020

AFAP

President: Captain Louise Pole

Contact Person: Lachlan Gray: .



AUSTRALIAN FEDERATION OF AIR PILOTS



Written by the **Australian Federation of Air Pilots**
and authorised by:

Captain Louise Pole

President

Australian Federation of Air Pilots

First Officer Stuart Beveridge

Safety and Technical Director

Australian Federation of Air Pilots

Contents

Background 4

Introduction 4

About this submission..... 5

COVID-19 Impacts on AFAP members 5

Issues related to pilot skills retention and training 6

AFAP survey of member pilots – Recommendations informed by data..... 7

Job-Ready Pilots Program proposal 10

Moving towards a more financially and socially sustainable aviation industry 12

Supporting the Aviation Sector by implementation of regulatory and regulator reforms..... 14

Feedback mechanism to the AFAP by government..... 15

Removal of all professional pilot categories from skilled migration lists 16

Summary and Recommendations..... 17

Attachments accompanying this submission: 18

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 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.

Introduction

3. To date, the COVID-19 pandemic has been a driver of particularly rapid change in the Australian and global aviation industry. Indeed, as put by the International Air Transport Association (IATA), infectious diseases and pandemics cause "greater than average impact and uncertainty" [1] in the aviation sector.
4. With measures aimed at curbing the spread of the COVID-19 virus, including flight cancellations and travel restrictions, pilots and other aviation workers have suffered significant adverse effects on their employment and working conditions across Australia. The AFAP regards these adverse effects as being a consequence of the effects of the pandemic but also of the aviation industry not otherwise operating on a financially or socially sustainable basis for many decades, characterised by deregulation, destructive competitive practices, and a veritable race to the bottom. Thus, whilst the COVID-19 crisis has been a driver or disruption, it has also laid bare the true state of a fragile and unstable aviation sector susceptible to the excesses of poor corporate practices and insufficient government-based protections and directions.
5. The AFAP asserts that the Australian Government and the Australian community should not realistically expect pilots to be at the ready to serve the aviation industry whilst they are overwhelmed with priorities related to their own significant personal stresses and financial crisis. Most pilots that have become untethered from their previous employment will not be able to fund and access recurrency training to make themselves job-ready. Given that the Job-Keeper and Job-Seeker arrangements have and will be reduced, and that initial offerings were a real take-home pay cut for most pilots, the prospects for snap-back type circumstances to pre-pandemic status for most disadvantaged pilots is unrealistic. The situation for these pilots is dire and for them, the aviation sector and Australian community, it's actually an urgent situation.
6. During times like these, we should be reminded of the importance of a well-functioning aviation system as a critical part of Australia's national infrastructure and global connectivity, particularly in terms of Australia's readiness to recover from the economic impacts of the COVID-19 pandemic. The regions that are heavily dependent upon tourism are prime examples of the economic activity and prosperity enabled by Australia's aviation sector.

7. As a vast and decentralised country, economic recovery cannot occur in Australia without a robust and viable aviation industry. As Australia progresses out of the pandemic, and the associated economic stress, there is a real risk that some communities and regional areas will lag behind the pace of the recovery enjoyed by those in urban areas. Without a functional and accessible aviation industry, our nation is at risk of creating geographically based disparity and disadvantage. An urgency of focus upon timely outcomes-based policy is therefore required to ensure that Australia's aviation sector is sufficiently resourced now so that it is able to be at the ready to service and support the economic and social wellbeing of all Australians.
8. The COVID-19 crisis therefore presents an imperative for stakeholders, including the Commonwealth Government, to ensure there's sufficient resourcing of the aviation sector whilst also providing a means for pilots to be job-ready. The crisis must also serve as a lesson for how fragile the aviation sector is and how instrumental the sector is as a key facet of national infrastructure. The AFAP asserts that this crisis should therefore also be a catalyst to reshape the aviation industry on a more financial and socially sustainable footing, thereby softening the boom and bust cycle that has marked the industry for decades.

About this submission

9. This submission aims to highlight the effects of the pandemic upon aviation workers, and in particular, our pilot members. However, this submission will also highlight that the pandemic actually has exposed some significant faults and issues with Australia's aviation sector that predate the pandemic.
10. Our submission highlights the importance of aviation to Australian society, some of the key issues, and the urgent need for government support and leadership to support pilots to be job-ready for the economic recovery. The AFAP makes some key recommendations regarding a job-ready program for pilots and calls on government cooperation to aid and enable the program.
11. Moving beyond the recovery, we suggest that there will need to be lessons learnt from this crisis so that Australia's fragile aviation sector is more resilient to the challenges of economic stress and that it is better able to recover of its own accord in the future. Thus, we also make recommendations for a more socially and economically sustainable aviation sector too.

COVID-19 Impacts on AFAP members

12. In response to government-mandated travel restrictions and significant falls in travel demand, some airline operators have implemented severe reductions in the domestic and international flying schedules since March 2020. At the time of submission drafting, domestic border restrictions had eased, however, until a vaccine has been sufficiently promulgated and administered, COVID-19 will remain an active threat to the Australian economy and to the livelihoods of workers in vulnerable sectors of the community, including aviation. The aviation sector, and pilots, remain very mindful that border restrictions have and will rapidly return due to new virus outbreaks, which of course directly impacts pilots and the aviation sector.

13. Whilst the AFAP has encouraged airline operators to work together with pilots to find appropriate solutions to the pandemic's impact on operators and pilots, levels of cooperation from operators have varied. Some of the more widespread actions taken by different operators have included:
- Reducing workloads from full-time to part-time;
 - Requesting pilots to take any accrued annual or long service leave;
 - Standing pilots down with or without pay;
 - Reducing pay and conditions;
 - Voluntary and involuntary redundancies; and
 - Suspending enterprise bargaining.
14. Further, some of these actions have been marked with levels of disregard for industrial laws and instruments or have been implemented in such a way that injustices of those laws and instruments have become starkly apparent, including:
- Standing pilots down without pay when they have been on paid personal leave;
 - Standing pilots down without pay even though there may be no entitlement for the employer to do so under section 524(1)(c) of the Fair Work Act; and
 - Offsetting Jobkeeper payments against accrued entitlements such as annual leave.
15. The AFAP raises and highlights all of these actions and issues because they have had a significant and real effect on the lives of the individuals, and their families, associated with the aviation industry. Those previously with seemingly stable employment and promising aviation careers have been the victims of circumstances beyond their control. Thus, many government and industry decisions have actually had a cumulative effect to cause a deterioration of the social and economic well-being of aviation workers, including our pilot members.
16. Unfortunately, the government industry support, and any programs for the social and economic well-being of aviation industry workers, has been inadequate to counter the negative effects of other actions and issues. Past, current and planned Job-Keeper arrangements are inadequate for pilots to survive the downturn caused by the pandemic. These arrangements can be best characterised as merely having a slowing-effect on the many personal financial deterioration situations experienced by pilots.
17. For many pilots who are facing and experiencing these deteriorating financial circumstances, any prospect of reversing the deteriorating financial position is further impeded by their inability to self-fund the significant recurrent training cost necessary to enable them to return to a flying role. Additionally, for the many pilots who have been made redundant, there is zero prospect in the near term for employer funded recurrent training. It is therefore very important to understand that the effect of the crisis upon individual pilots has and will have a cumulative and real effect on the viability and recoverability of the aviation sector. The issues are compounding in nature and are without any noticeable counterpoise.

Issues related to pilot skills retention and training

18. Skills retention and training is a particularly expensive exercise in the aviation industry. Whilst there are some good employers who bear the cost of training pilots, it is not uncommon for

employers to require pilots to enter training bonds or indeed to incur personal debts in order to undertake training. In many ways, this can lead to employers who do the right thing, by covering training costs, placing themselves at a competitive disadvantage against those who require pilots to cover the costs associated with training.

19. The AFAP asserts that training and skills retention in the aviation industry therefore needs to be considered as an integral part of this review, particularly when maintaining skills and qualifications depends on a pilot's ability to undertake flying hours, which have been significantly cut due to lost flying opportunities and due to cost impediments.
20. Employed pilots have unique safety and performance checks embedded in workplace practices and procedures. Given the predicament of there being significant cuts to flying opportunities, many qualified but stood down pilots face the risk that their skills and qualifications have or will become stale. Furthermore, pilots who are not employed also face the possibility of needing to self-fund such recurrent check arrangements.
21. Whilst it is certainly the case that all pilots must pass safety of flight checks, it is also true that pilots who have maintained a connection to actual work duties will have an advantage over those who have endured extended periods of stand down or those who have become completely untethered to their pilot employment. In either case, this is problematic not only for the pilot, but for the industry overall, which may as a consequence, face potential skills shortfalls in the wake of the pandemic as many pilots will be left without having worked for extensive periods of time. Associated retraining costs for a pilot returning to active flying should be anticipated to be greater with an increase in the time interval between their last active flying and a return to a job-ready status.
22. The AFAP asserts that the development and adoption of a policy priority to retain existing pilot skills will, enable the national economic recovery to occur with the least impediment, and it will also positively aid aviation safety, because an experienced pilot cannot be quickly replaced by a newly trained pilot. The AFAP stresses that there is an urgent need to focus on resourcing pilots and providing recurrent training so to avoid the looming attrition from the aviation sector that our recent survey has found has already unfortunately commenced.
23. A healthy and robust skills base in the aviation industry is critical aviation safety and to Australia's economic recovery. The AFAP is concerned for the many pilots and individuals that will certainly experience prolonged negative consequences. Also, we are concerned for the ability of aviation to return to providing service to Australian society and support the post pandemic economy. Aviation is a form of national infrastructure and the problems with the pilot licensing ruleset, and associated funding norms, will have a material effect on aviation's ability to recover from the economic trench that the pandemic has kicked it into.

AFAP survey of member pilots – Recommendations informed by data

24. During November of 2020, the AFAP surveyed pilot members on a range of issues related to their current flying status, demography of experience and expertise, the usefulness of a job-ready pilot program, and their intent to remain or return to flying.

25. Significant results from the survey indicate that a majority of Australian pilots have flown for 20 years or more and still have 20 years of viable flying years left. Of this pool of pilot experience, 41% have employment outside the aviation sector and won't be 'Job-Ready' without assistance.

AFAP Survey Results, as of 12th November 2020 (1140 respondents)

Demographic:

- 51% of AFAP members are airline pilots, approximately 2800
- 40% have been professional pilots for > 20 years
- 72% have been professional pilots for > 10 years
- 58% aged between 30 – 49 years old

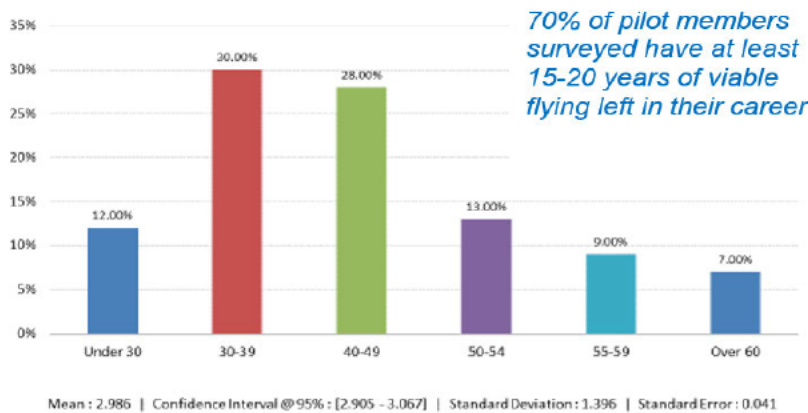
Loss of Experience:

- Approx. 23% of surveyed AFAP members are already redundant
- 57% are on full or partial stand down
- 13% are not planning to return to flying

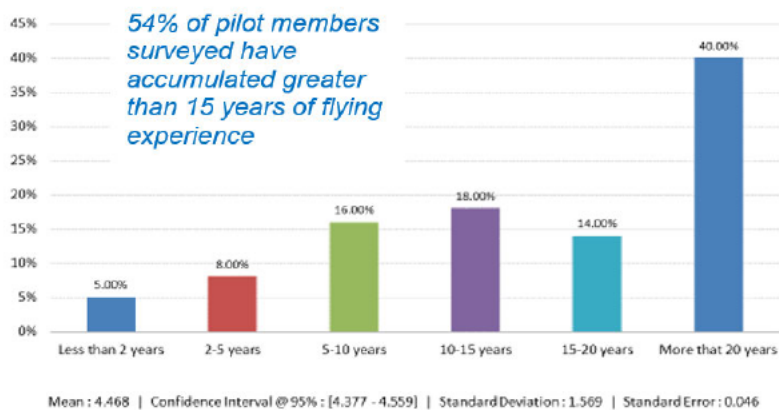
26. The results of the survey strongly point to a present and looming risk of a large portion of experience being lost from the aviation sector. The AFAP anticipates that this high level of industry wide pilot attrition won't be limited to Australia.

27. Extracts from Appendix A: AFAP Member Survey November 2020:

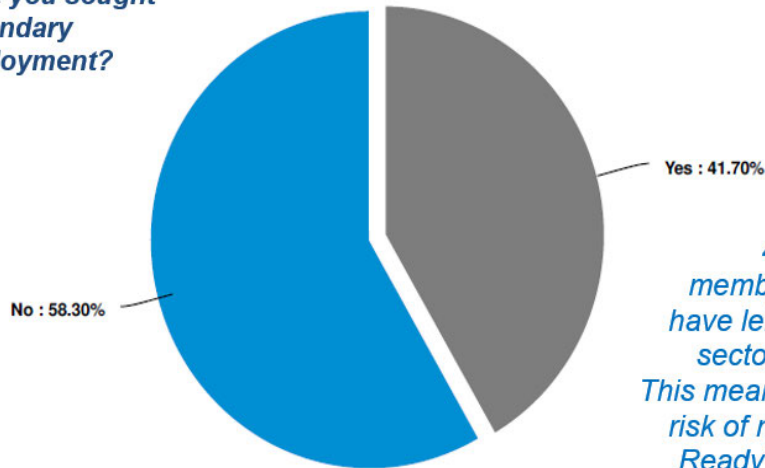
What is your age bracket?



How long have you been working as a Commercial Pilot?

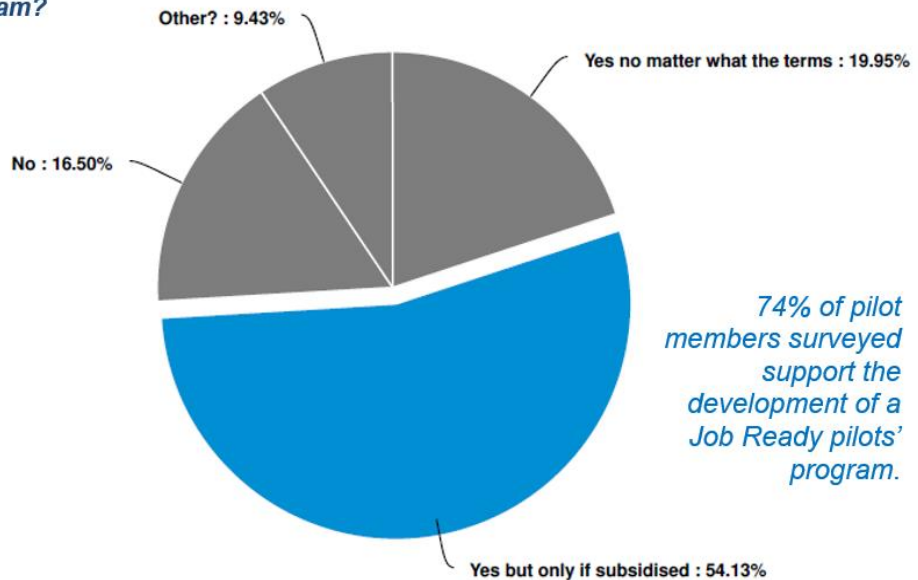


**Have you sought
secondary
employment?**



41.7% of pilot members surveyed have left the aviation sector temporarily. This means they are at risk of not being 'Job Ready' to reactivate the aviation sector without assistance.

**Do you support a
Job Ready Pilot's
program?**



74% of pilot members surveyed support the development of a Job Ready pilots' program.

28. It must be noted that the longer a pilot is away from active flying duties, the higher the cost and longer the timeline to reactivate them to a 'Job-Ready' status. A 'Job-Ready' pilot is one suitable to be fast tracked back into an airline/operator. Normally, a new or returning pilot candidate can take many months to be inducted and cleared to line. To maintain a high level of safety, pilots need to meet regulatory targets in flight standards and flight recency, which for many is often contained within a cyclic program in an airline environment.
29. Pilots are one of the most scrutinised workforces compared to other professions and experienced pilots form part of an airline's Safety Management System. If a pilot is made redundant, they can no longer participate in their airline's Part 61 Training and Checking system, leaving them to seek an alternative option, which is cost prohibitive to individuals. Currently there is no program available outside a pilot's former airline without creating an approved solution, resulting in the inevitable loss of currency and any job-ready status.

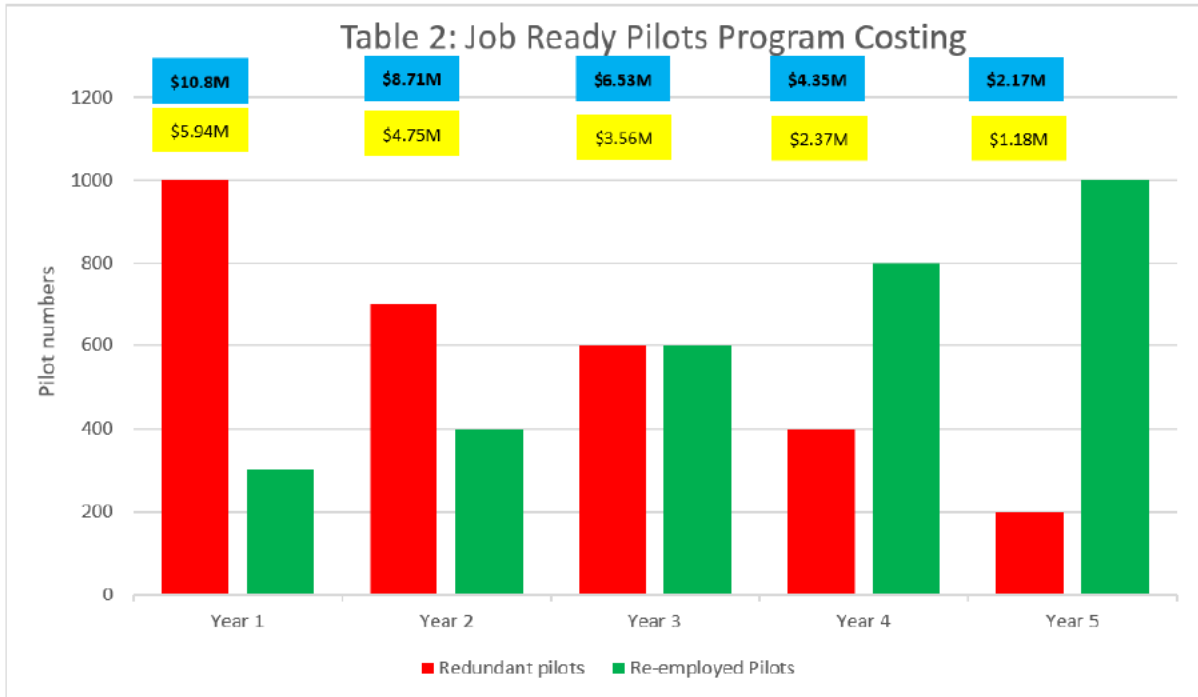
Job-Ready Pilots Program proposal

30. The AFAP notes that the inquiry Terms of Reference (TORs) specifically make a request for ideas related to the immediate and long-term employment landscape within Australia's aviation sector; and what policy and practical measures would be required to assist the industry to recover in the medium term. We believe that our proactive proposal directly addresses all of these TORs.
31. The AFAP, in collaboration with Ansett Aviation Training (AAT), proposes to develop a joint stakeholder currency and proficiency program for pilots that will retain and return eligible pilots to a 'job-ready' status. The proposed program has an added benefit that will mean that pilots will be available to operators at a relatively lower cost to reemploy as the industry improves. The AFAP has had feedback from some airlines that this would be of direct assistance to the speed at which pilots can be re-employed.
32. The current program proposal has two levels of training package and has the scope to be expanded to a number of Australian aviation training centres.
33. The Job-Ready program proposal is for partial funding by the Government and thus, another important facet of the program proposal needs to include that pilots should have "a tax recognition" for costs involved in maintaining pilot licences. I.e. medicals, CASA licence fees and proficiency, whilst not employed as a pilot. This will ease the burden on pilots for any amount they are required to provide to participate. For more specific and expanded information, please refer to Appendix A and B.
34. If this proposal is adopted, it will be developed with the relevant stakeholders, including the simulator training centres, the airlines/operators, the pilot associations, and the pilots. We anticipate additional costs ancillary to the program may include:
 - Travel costs when pilots are not domiciled where flight simulators are located.
 - Administration and Compliance cost to manage programs.
35. The AFAP expects that training and syllabus support from the relevant airlines/operators will be forthcoming and anticipates CASA approval (where relevant and required).
36. Table 1 and 2 below contain estimated costs of a suitable Job-Ready Pilots Program and 5-year projection to economic recovery. Table 1 outlines indicative yearly costings for the basic proficiency package and airline ready package. Table 2 outlines projected costings for 1000 Australian pilots across the aviation industry, the number of pilots in the program is reduced annually as the industry recovers and pilots are re-employed.
37. Table 1 (below): Outlines inclusions and costings per pilot for a Job-Ready Pilot Program at the Ansett Aviation Training centres.

Table 1: Job-Ready Pilot Program Services and Inclusions

SERVICES/INCLUSIONS	BASIC TRAINING PACKAGE (BTP)	BTP + PROFICIENCY (AIRLINE READY)
Computer Based Training via CPAT or online learning	✓	✓
Aircraft Manufactures Manual Suites including FCOM’s, FCTM’s, QRH	✓	✓
online learning classes conducted by the Ansett Training Department	✓	✓
Skills and Industry forum(s)/ Webinars / Seminars -Min of 4 per year	✓	✓
1 x Ground School Day for IPC preparation and Systems refresher	✓	✓
TAILORED AIRLINE SPECIFIC: 1 x 4-hour Full Flight Simulator session annually (as a crew) for IPC Preparation	✓	✓
TAILORED AIRLINE SPECIFIC: 1 x 4-hour Full Flight Simulator session annually (as a crew) for IPC	✓	✓
Accessibility to Aviation Mental Health experts (Medicare Reimbursable mental health plan) along with Welfare and Aviation support programs	✓	✓
TAILORED AIRLINE SPECIFIC: Online HFNTS and Dangerous Goods Training, additional modules available upon application		✓
TAILORED AIRLINE SPECIFIC: 1 x Full Day Ground School annually		✓
TAILORED AIRLINE SPECIFIC: 2 x 4-hour Full Flight Simulator session annually (as a crew), these will include one Loft and one Manoeuvre based session programmed to maintain recency and proficiency		✓
Estimated cost per pilot per year	\$5,400 plus GST	\$9,900 plus GST

38. Table 2 (following) is an estimated baseline projection of the cost of maintaining a pool of 1000 skilled and experienced redundant pilots over the next 5 years. If pilots are kept proficient, a long term saving in cost and time will be achieved for the industry. The anticipated program costs could be reduced if economic recovery occurs at values above the baseline assumptions.



- The amount in **yellow** is for the Basic Program which will only maintain minimum qualifications for a pilot.
- The amount in **blue** is for the Basic Package Proficiency which is designed to keep pilots fast-track Airline Ready.

RECOMMENDATIONS:

1. Fund and implement a “Job-Ready Pilots Program” to keep Australian pilots ‘Job-Ready’ to ensure a pool of skilled experienced pilots can service the Australian community’s economic and social needs.
2. Specify within Government contracts support for Australian operators employing Australian pilots including specialty training and induction.

Moving towards a more financially and socially sustainable aviation industry

39. Whilst we cannot remove the risk of economic crisis to the Australian economy and the very sensitive aviation sector, we can reform the resilience of the aviation sector so that any future crisis upon it will have milder symptoms.

40. For the last few decades, governments have allowed the market to find its own balance through deregulation and a focus on growth, low fares, and increased connectivity. When this works, it can work well however, down cycles can also have extreme effects culminating in circumstances including airline bankruptcies, demonstrated by examples in Australia such as Ansett in 2001 and the recent voluntary administration and recapitalisation of Virgin Australia. Just prior to the COVID-19 crisis, most airlines were not making enough money to cover the cost of capital. Smaller organisations, such as those in the General Aviation sector, are likely to have greater financial challenges due to their smaller economies of scale. Thus, it must be noted that the balancing act

for the aviation sector is too fragile and the boom/bust cycle has been entrenched to the detriment of all aviation stakeholders, including the general public.

41. The post-COVID-19 recovery must differ from past industry recoveries which have sometimes led to further deregulation, increasingly precarious work, and increased social costs. Those costs include the obvious human costs of lost jobs, maintaining social protections, and income disparity. This is not a story solely limited to the aviation industry either and nor is it a wise or sustainable post pandemic remedy to simply readopt the pre-existing fragility for the aviation sector.
42. Liberalisation in aviation in Australia has created a skewed system in which airlines are no longer required to take financial or social responsibility for the markets to which they enjoy access, because they are not supported to do so. Aviation in Australia should be viewed as key transport infrastructure and an essential means of community economic connectivity. Aviation should be an engine of improvement; not a scheme to extract value and dump its social costs in return. Without social sustainability, there will be no economic sustainability. A socially sustainable industry will create valuable employment; not degrade and destroy it.
43. The response to this crisis cannot be to weaken the very employment standards without which there can be no economic recovery. Nor can the response be to return to the exact fragile framework that left the sector too exposed to crisis in the first place. Australia does not need more dirt-cheap airfares or airlines creating and demanding unreasonable competition. Australia needs a sustainable aviation industry built according to the fair and equitable treatment of the people who keep it running.
44. The huge cost of training as a pilot is a genuine impost and barrier for many potential future pilot candidates. Thus, without the socially sustainable approach to reforming the underlying economic imbalance in training costs for pilots, the industry will continue to be economically fragile and is again at a significant risk of having too few pilots to resource aviation services.
45. Necessarily though, the capital invested in the industry must also gain an adequate measure of stability and sustainability to ensure that the cycle of service (people serving the economy so that the economy serves the people) can continue with the least interruption. A sustainable aviation industry is one that will ensure that social responsibility becomes a condition of serving both the Australian market and community.

RECOMMENDATIONS:

1. The Federal Government should institute a training levy on all airline operators according to the scale of their workforce to ensure that the required skills of pilots are available to suitably resource the sector after the end of the pandemic, and that this should be an ongoing industry-wide arrangement to ensure that operators who do not contribute to the cost of training pilots and do not contribute to the skills-base, do not get a competitive advantage over operators that do.
2. The Federal Government should enable the establishment of a pilot Job-Ready program so that it can eventually be transitioned into a longer-term training solution for the aviation sector – eventually funded by an industry supported training levy.

3. As a major client of airlines, the Federal Government should use its purchasing power to fairly share Commonwealth expenditure and to promote best practice industrial relations to ensure that industries such as the aviation industry operate in a socially responsible manner.

Supporting the Aviation Sector by implementation of regulatory and regulator reforms

46. For many decades now, a large variety of aviation stakeholders have raised issues regarding the lack of consistency from our national aviation regulator when it is providing service and oversight to the aviation sector. Of significant note is that the regulatory process causes an issue of undue cost burden to organisations and individuals in the sector and that this is predominantly due to the complexity of the regulations and the confusion and time wastage that ensues. This significant issue remains unresolved.
47. The AFAP addresses this topic area very thoroughly in our November 2020 submission to the Senate Inquiry into Australia's General Aviation industry. Of note, we highlight that cost burden is a problem but more accurately, it is a symptom of a fractured regulatory philosophy and a lack of clear vision for reform.
48. In considering the future of the aviation sector and what ideas are required to improve and support the sector, the AFAP believes it very important to highlight here our related positions and recommendations from our earlier submission. The following is a summary of our submission to the Senate Inquiry into Australia's General Aviation (GA) Industry:
- Focus on safety by amending the Civil Aviation Act to include an obligation that CASA must: *"... take into account that civil aviation is a system of safety."* (As per our existing position paper). The Act currently does not address this.
 - Identifying that the widespread concerns by aviation stakeholders that CASA is causing extra costs and creating confusing regulation are symptom-problems, i.e. they are problems, but they are symptoms of the underlying systems-based problems.
 - GA is more susceptible to any cost or regulatory impost than other sectors of the industry and GA is crucial for the connectivity of regional and remote communities, and for training and career path establishment.
 - Governance and Accountability matters related to CASA:
 - Freedom of Information laws are insufficient to allow genuine industry-based accountability of CASA to occur.
 - The composition of the CASA Board is lacking professional pilot representation.
 - The premier consultative panel to CASA has never had a participant from a member-based association, such as the AFAP.
 - The structure of the CASA Industry Complaints Commissioner (ICC) reports to the CASA Board, but the CASA DAS/CEO is a Board member. The CASA DAS/CEO is ultimately the person responsible for all CASA decisions and outcomes. Therefore, the ICC should rightfully report to a body higher than the Board.

- CASA resourcing, structure, and deterioration of the expertise of the Inspectorate staff needs to be addressed.

49. https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Rural_and_Regional_Affairs_and_Transport/GeneralAviation

Feedback mechanism to the AFAP by government

50. The AFAP is concerned that there is a lack of a clear government focal point for aviation stakeholders to connect and engage with. Also, we are frustrated by the incomplete consultation feedback and discussion loop that appears to be without any plan to be resolved.

51. While vaccines are progressively being approved and distributed, COVID-19 will continue to impact aviation, and the “hot spots” will continue to change and thus, there remains a real risk that Australia could again experience domestic border restrictions. Therefore, it is very important for collaboration amongst government agencies, operators, pilot representatives, and other stakeholders to be strengthened for Industry to successfully navigate through and out of this pandemic crisis.

52. However, in contrast the AFAP has noticed that there is a somewhat fractious response to the industry from government, a lack of co-ordination between Federal government agencies and between Federal and State/Territory Governments. Whilst the AFAP has provided many submissions and attended many meetings on these topic areas, we have not received any tangible form of analysis and feedback response from government to our positions and recommendations. If we have, the AFAP would be ready to pivot further contributions based on such feedback and analysis but without it, we are unable to take the next contributory step to help.

53. By way of example, the following are the numerous submissions and meetings attended by the AFAP since the pandemic began and regarding issues related to, the future of the sector, a collaborative industry and government response to aviation during COVID:

- Submission, to Inquiry re Government response to COVID-19 – JUN 2020
- Submission, to Inquiry re into Australia's General Aviation industry – NOV 2020
- Submission, to Dept White Paper: The Future of Aviation / Flying to Recovery – NOV 2020
- (This) Submission, to the RRAT Inquiry: The future of Australia's aviation sector, in the context of COVID-19 and conditions post pandemic – DEC 2020
- Three round-table discussion meetings with the office of Deputy Prime Minister:
 - APR 2020
 - JUN 2020
 - SEP 2020
- Follow up meeting with Assistant Secretary, Domestic Policy and Programs | COVID Aviation Issues Management - OCT 2020
- Future of Aviation Consultation Session, – DEC 2 2020
- The Future of Australia's Aviation Sector Consultation - DEC 15, 2020

54. As is clear here, the AFAP has repeatedly taken up the many opportunities to provide input to government and government agencies, however it is essential that we are engaged in receiving

and discussing future aviation policy and program options related to the latest considerations. For these reasons we assert that the communication flow is incomplete, there is a need for an establishment of an effective feedback loop and an improvement to consultation discussion.

55. Professional pilots are a unique group of aviation stakeholders in that the result of nearly all aviation safety decisions flow through the system to us. Whilst we acknowledge the expertise of the appointed members to the newly established Future of Aviation Reference (FAR) Panel we, as the professional pilot representatives, are uniquely able to observe and collate where consistencies and deficiencies collect in the aviation system due to our close connection to the "coal-face" of the sector. Professional pilots, more so than other stakeholders, receive the outcomes of other aviation groups and are at the final point of control in the aviation decision making process. This can't help but cause a coalescence of observation.
56. The AFAP is a partner organisation in the Australian Airline Pilots' Association (AusALPA) and has the most and broadest membership of any Australian pilot association. The AFAP as an organisation is inextricably linked to the sector's coal-face and we believe that our inclusion on the FAR Panel will benefit the work of the panel, positively enhance the policy planning of the aviation sector, and better link feedback from government back to a significant ideas source to the future planning of the industry.

RECOMMENDATIONS:

1. The Department should establish and designate a stakeholder engagement liaison so that there is a clear, singular contact for the aviation sector to coordinate with.
2. An AFAP/AusALPA representative should be included on the FAR Panel.

Removal of all professional pilot categories from skilled migration lists

57. The Federal Government should ensure that Australian citizens and residents are provided the priority to re-enter Australian employment opportunities and that operators should not be able to bring in temporary foreign labour as a substitute for training and developing resident workers. With so many skilled and experienced Australian pilots currently unemployed or stood down, we cannot see the justification for leaving the various occupational categories of professional pilots on this list as activity in the aviation sector picks up.
58. The AFAP understands that professional pilots are not listed on the "temporary" priority skilled migration occupation list but remain listed otherwise on the normal residual list. Regardless of the current use of a temporary list, the AFAP is of the view that the government should prioritise helping Australian pilots return to flying roles and that they must not be in the business of enabling the provision of Australian job opportunities to non Australian pilots. On this matter, the AFAP has written numerous letters, provided input at many meetings with elected members of the Federal Parliament, and discussed the matter with many departmental staff. Thus far we have only been provided information that a temporary list is currently being utilised and that decisions are deferred, i.e. nothing with certainty regarding amending the normal skilled migration list.

59. Holding pilot categories on the list for future use should be taken as a sign of an insufficient skills resourcing policy and plan in the aviation sector. Given that there is currently a very large window opportunity to address possible future aviation skills shortfalls before they emerge, the AFAP calls on the government to prioritise addressing the necessary planning and we again call on the Federal Government to alter the skilled migration lists in line with our position. I.e. remove all categories of pilots from all skilled migration lists.

RECOMMENDATIONS:

1. Identify, prioritise and address future aviation skills and labour issues before they are an issue for the aviation sector through government policy and planning.
2. Remove pilots from the skilled migration list. Foreign pilot labour should not be approved, including via company specific labour agreements.

Summary and Recommendations

60. The AFAP believes that there should be no question that Australian's aviation sector is an integral key in supporting the economic and social wellbeing of all Australians. The COVID-19 pandemic has highlighted this important role whilst also being the catalyst for the devastating impact on the sector and the social and economic well-being of workers in all sections of the aviation industry.

61. The pandemic has also exposed and exacerbated pre-existing fracture points in the industry, which we believe now must draw urgent attention and resources to well considered policy and practical measures to deliver the sector to a much more sustainable footing. 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.

62. The AFAP thus provides specific policy and practical recommendations to assist the recovery:

- **Fund and implement a "Job-Ready Pilots Program" to keep Australian pilots 'Job-Ready'** to ensure a pool of skilled experienced pilots can service the Australian community's economic and social needs.
- The Federal Government should **institute a training levy** on all airline operators according to the scale of their workforce to ensure that the required skills of pilots are available to suitably resource the sector after the end of the pandemic, and that this should be an ongoing industry-wide arrangement to ensure that operators who do not contribute to the cost of training pilots and do not contribute to the skills-base, do not get a competitive advantage over operators that do.
- Specify within Government contracts support for Australian operators employing Australian pilots including specialty training and induction.
- As a major client of airlines, the **Federal Government should use its purchasing power to fairly share Commonwealth expenditure** and to promote best practice industrial relations to ensure that industries such as the aviation industry operate in a socially responsible manner.

- The Department should **establish and designate a stakeholder engagement liaison** so that there is a clear, singular contact for the aviation sector to coordinate with.
- An AFAP/AusALPA representative should be included on the Future of Aviation Reference Panel.
- **Identify, prioritise and address future aviation skills and labour resourcing issues before they are an issue** for the aviation sector through government policy and planning.
- **Remove all categories of pilots from the skilled migration list.** Foreign pilot labour should not be approved, including via company specific labour agreements.
- Address the shortfalls of the current civil aviation regulatory regime and regulations, as recommended in our submission to the Senate inquiry into Australia's General Aviation industry.

Attachments accompanying this submission:

- APPENDIX A: AFAP Member Survey November 2020
- APPENDIX B: AAT & AFAP Job-Ready Pilots Program

Australian Federation of Air Pilots

December 2020

AFAP Members Survey - Job Ready Pilots



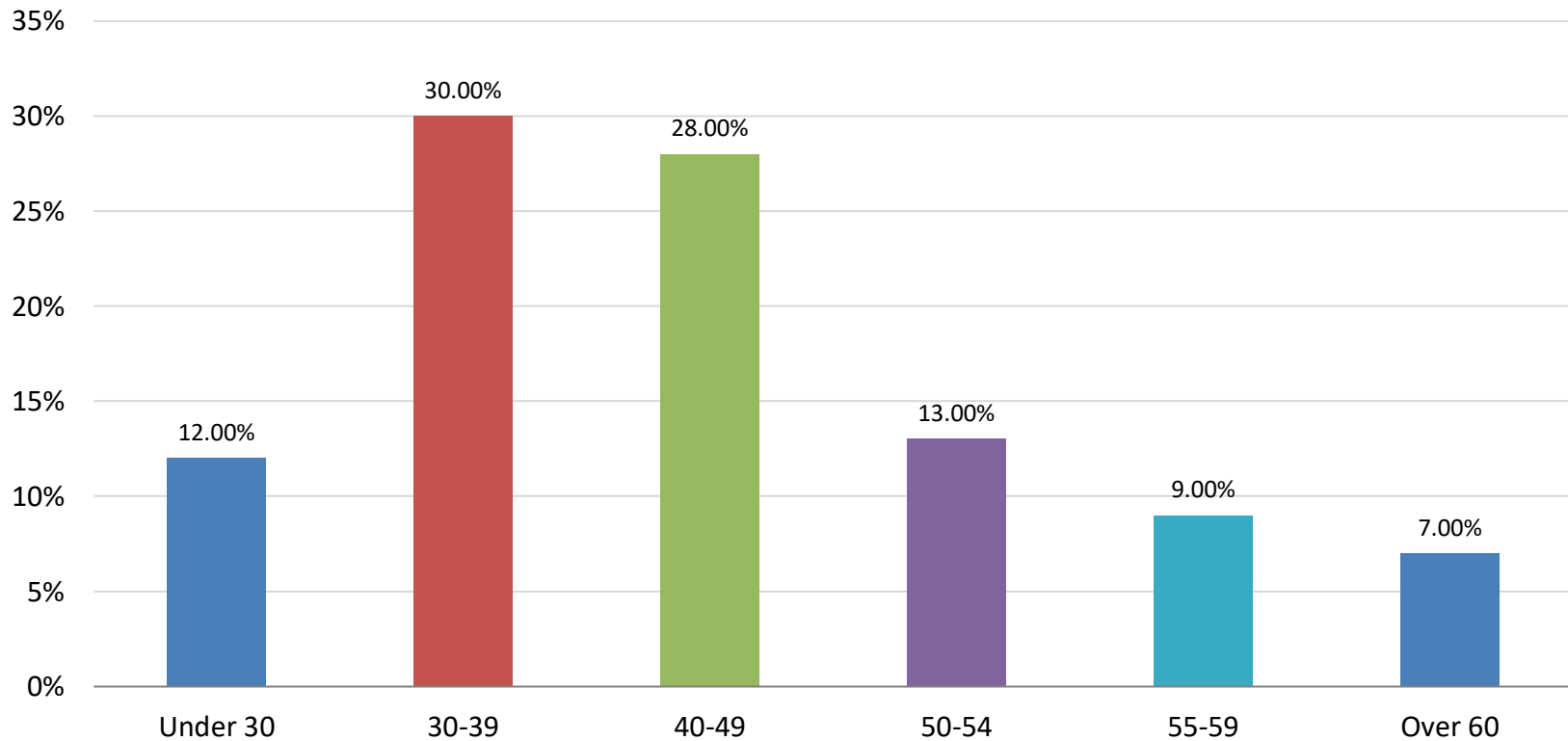
**AUSTRALIAN FEDERATION
OF AIR PILOTS**

Open Date: 30 October 2020

Close Date: 12 November 2020

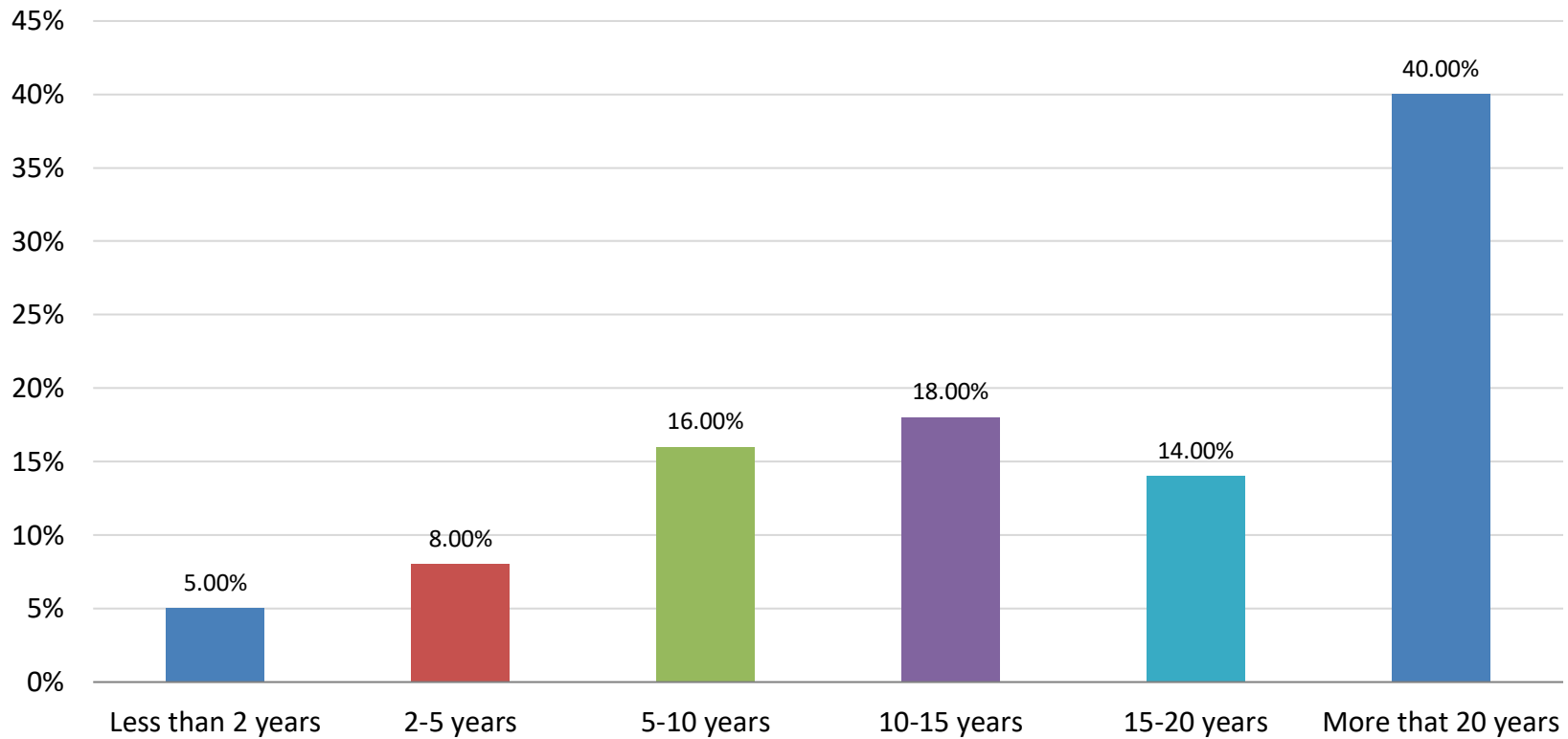
Number of Respondents: 1140

What is your age bracket?



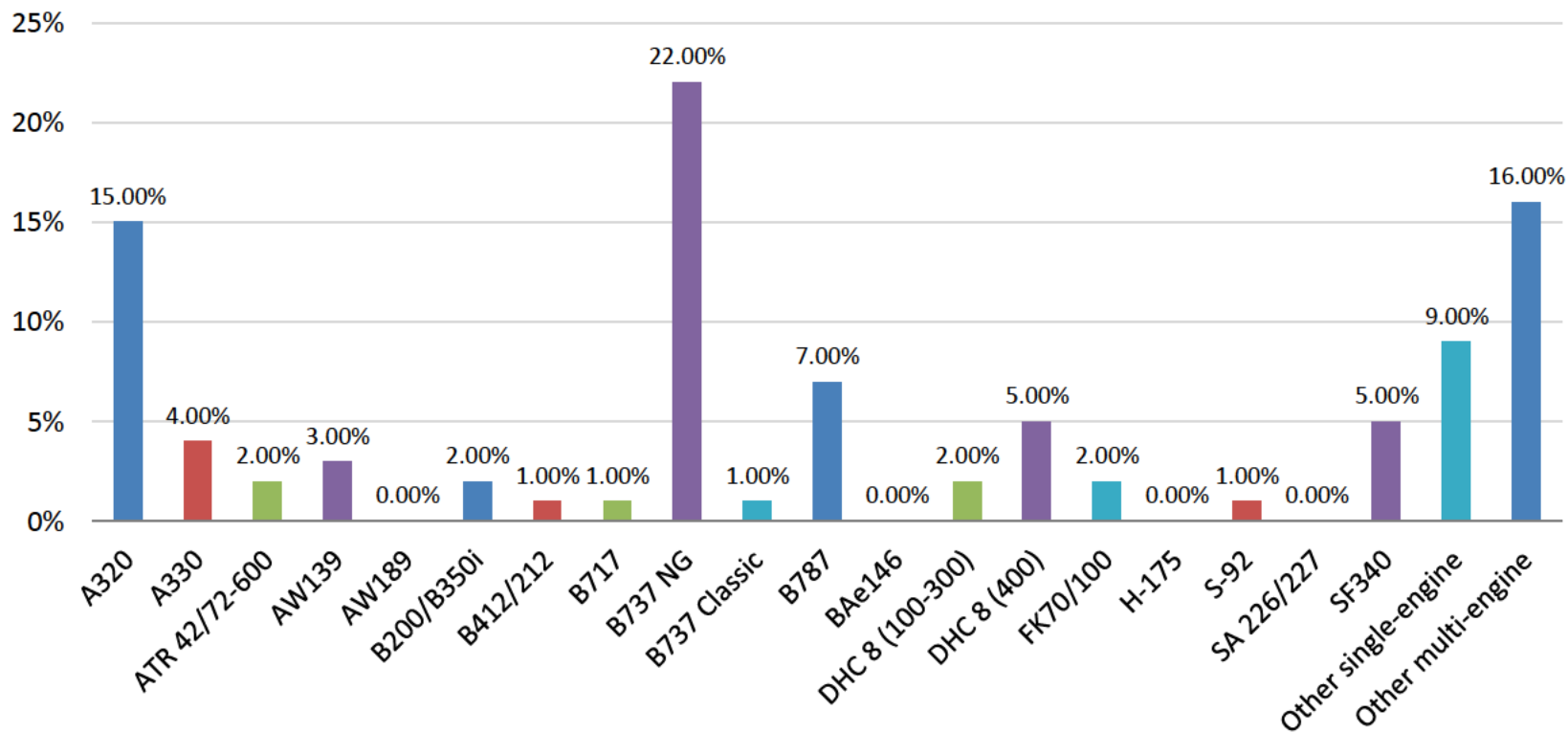
Mean : 2.986 | Confidence Interval @ 95% : [2.905 - 3.067] | Standard Deviation : 1.396 | Standard Error : 0.041

How long have you been working as a Commercial Pilot?



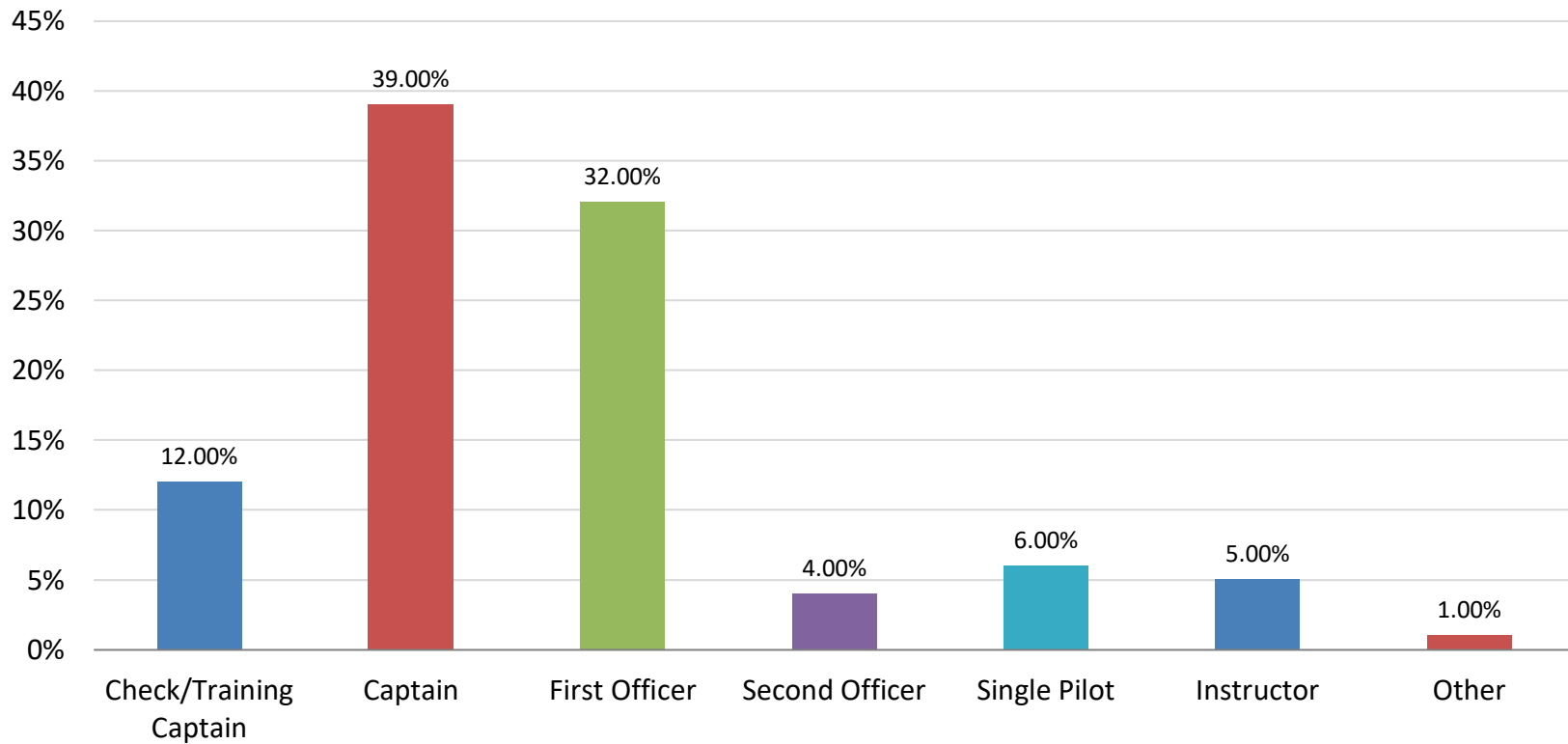
Mean : 4.468 | Confidence Interval @ 95% : [4.377 - 4.559] | Standard Deviation : 1.569 | Standard Error : 0.046

What aircraft type are you flying (or have you flown) most recently?



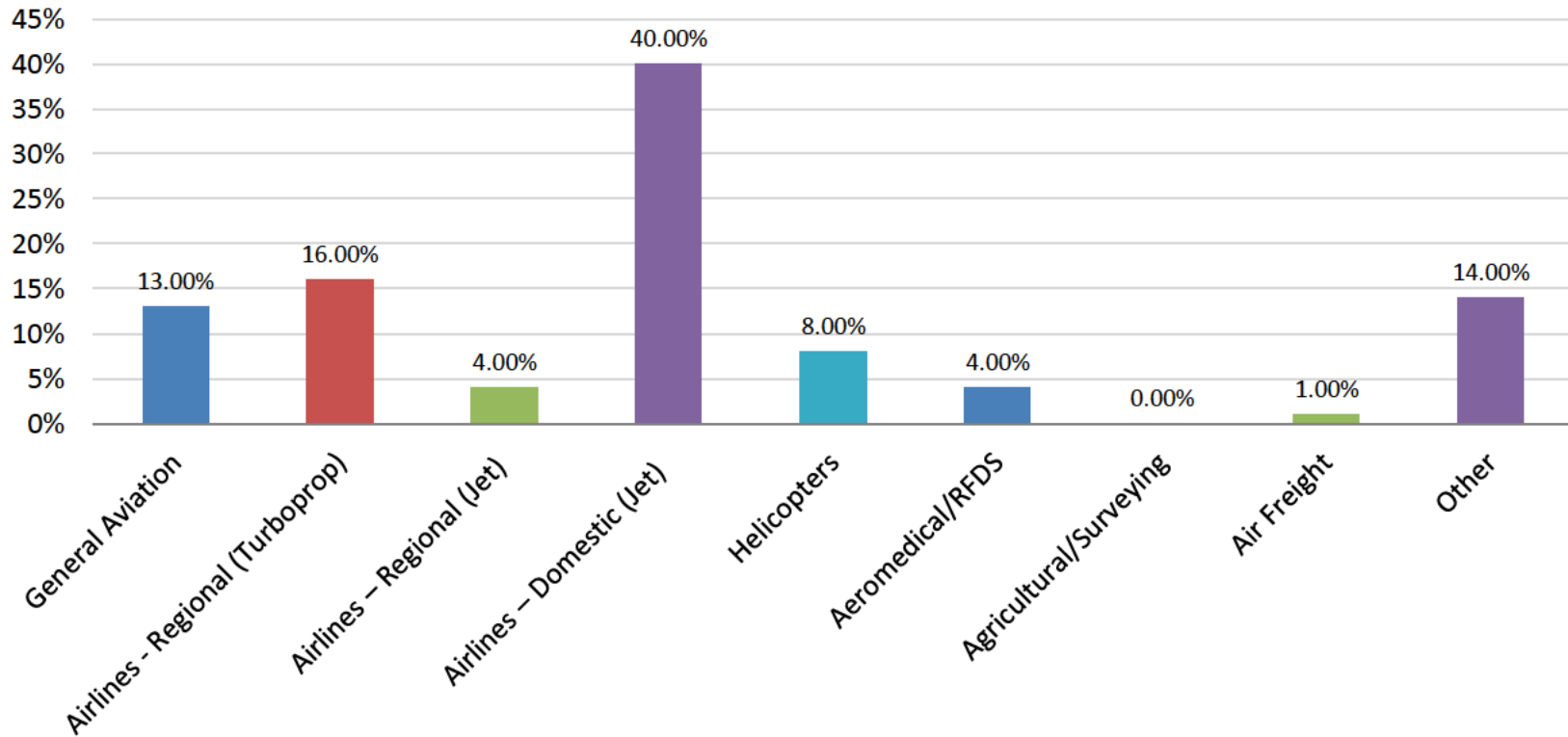
Mean : 11.280 | Confidence Interval @ 95% : [10.866 - 11.695] | Standard Deviation : 7.171 | Standard Error : 0.212

What is your current (or most recent) rank?



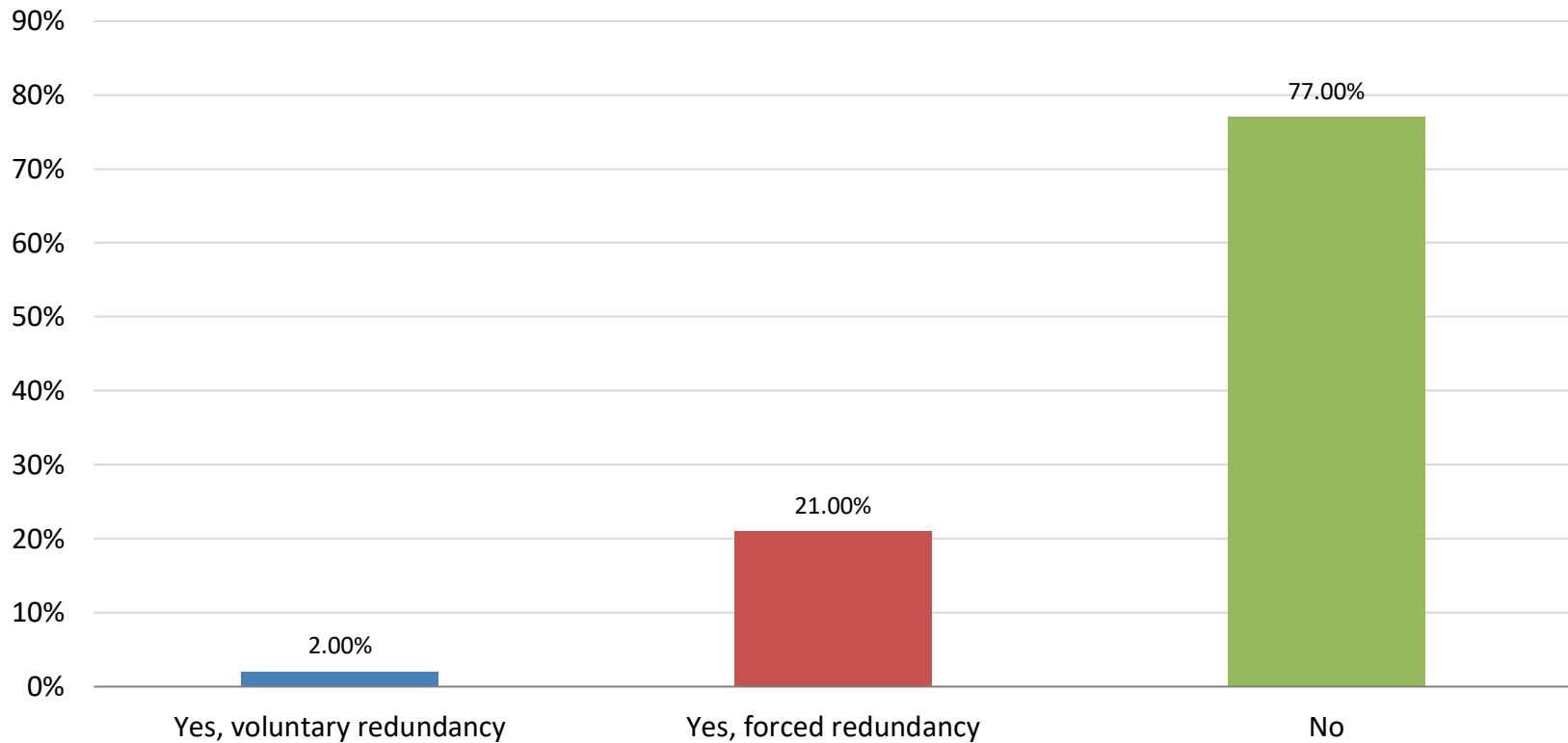
Mean : 2.734 | Confidence Interval @ 95% : [2.657 - 2.812] | Standard Deviation : 1.333 | Standard Error : 0.039

What part of the aviation industry does your current (or most recent) pilot role fall within?



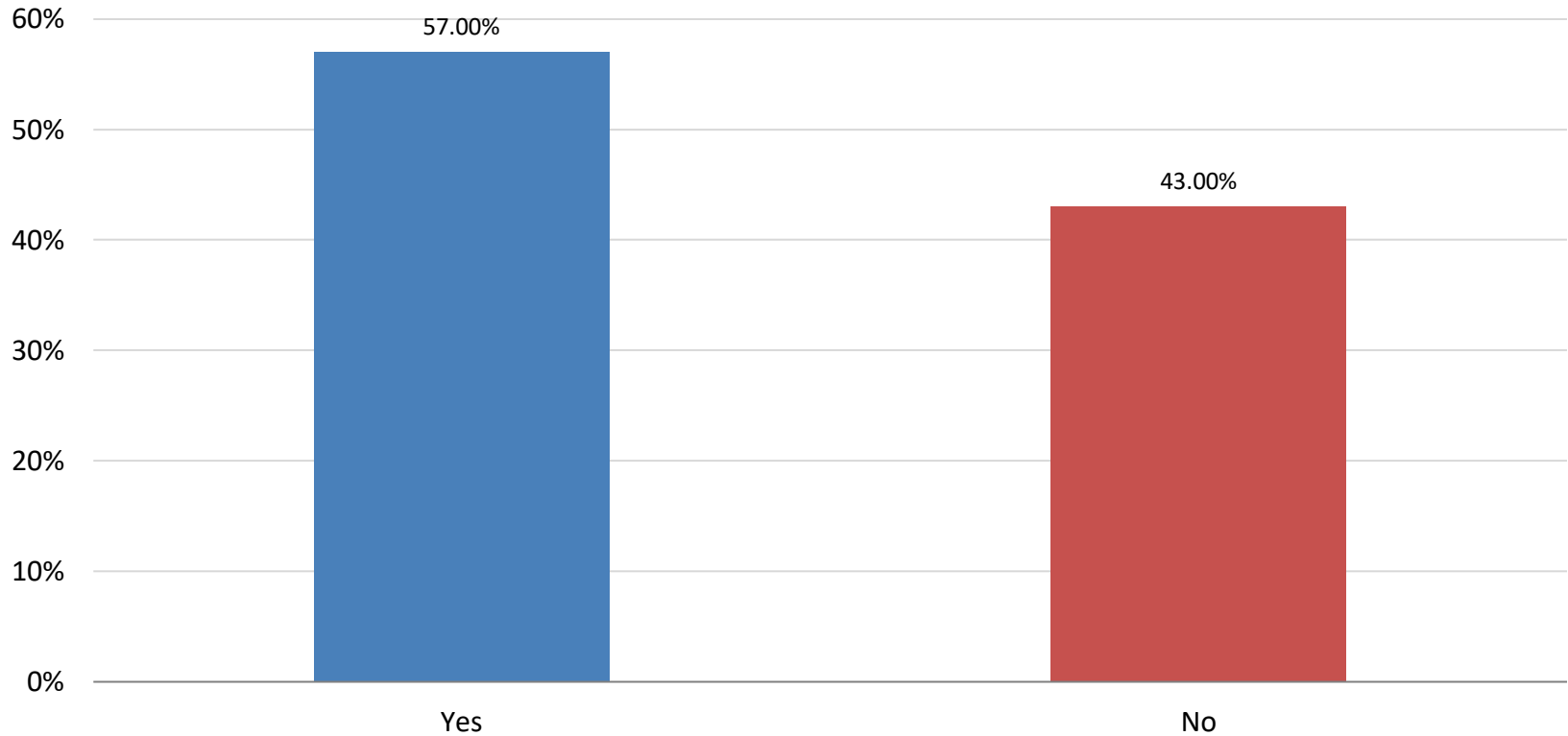
Mean : 4.150 | Confidence Interval @ 95% : [4.012 - 4.288] | Standard Deviation : 2.391 | Standard Error : 0.071

Has your pilot role been made redundant or are you taking a redundancy?



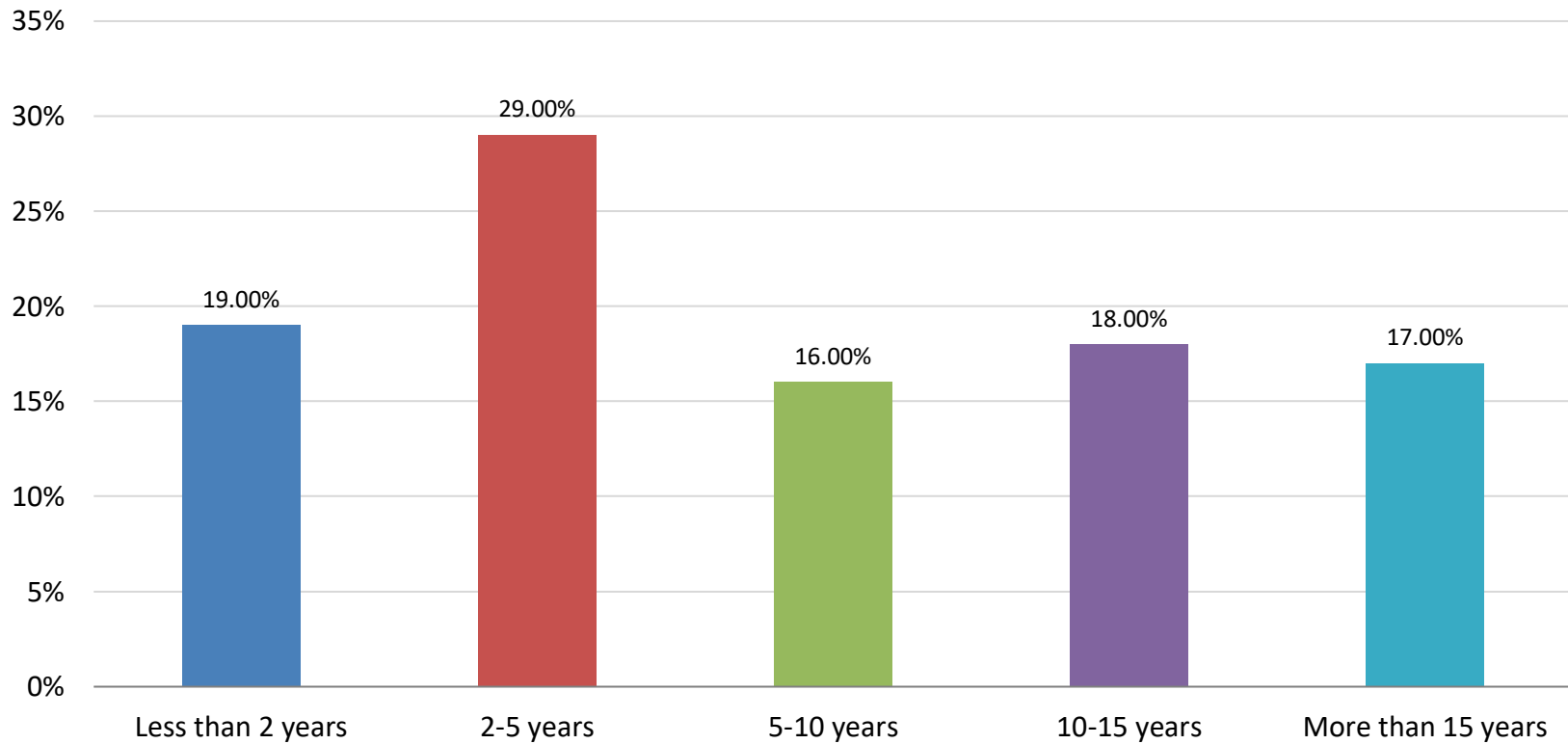
Mean : 2.743 | Confidence Interval @ 95% : [2.715 - 2.771] | Standard Deviation : 0.486 | Standard Error : 0.014

Are you currently stood down or still experiencing stand downs from your pilot role?



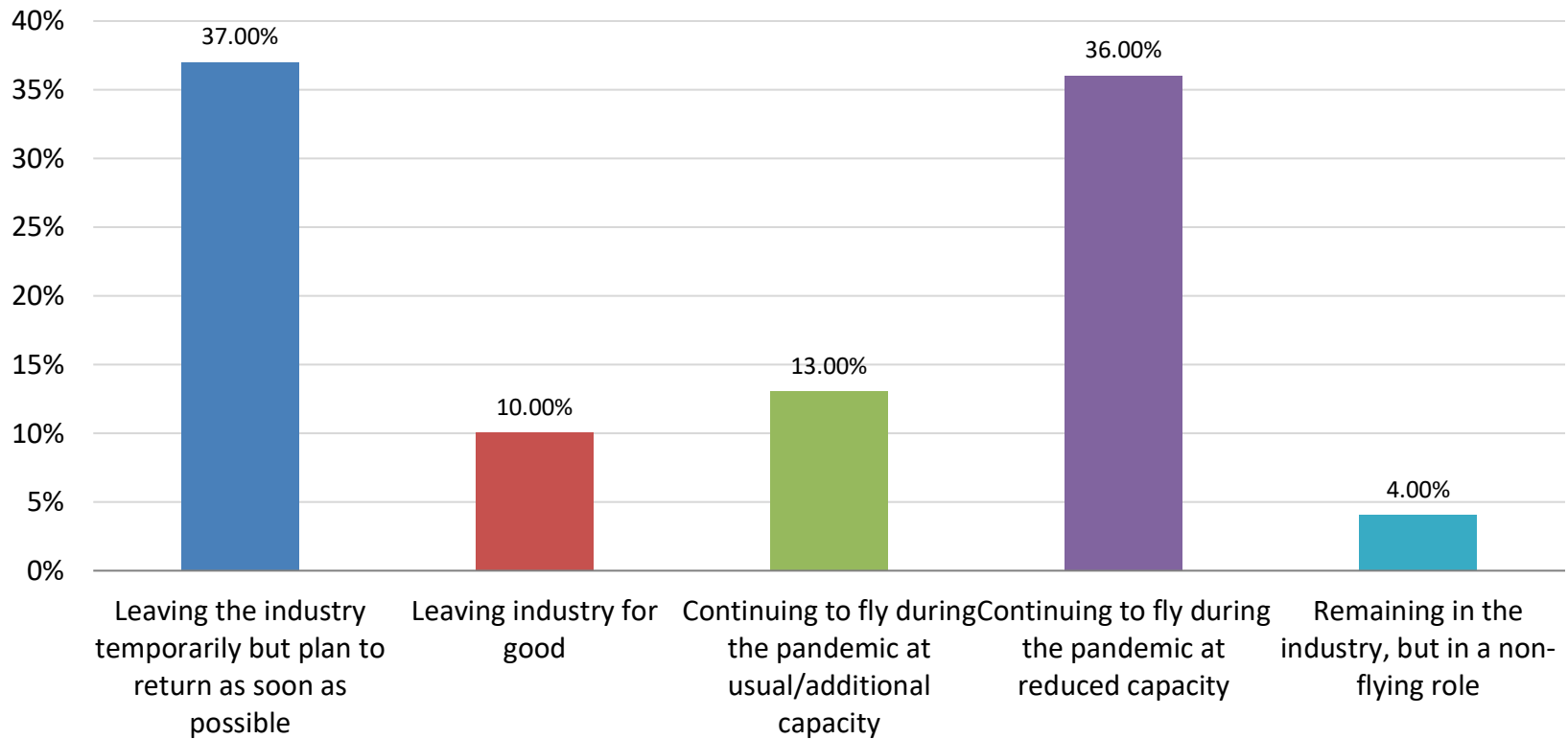
Mean : 1.429 | Confidence Interval @ 95% : [1.400 - 1.458] | Standard Deviation : 0.495 | Standard Error : 0.015

How long have you been employed in your current (or most recent) pilot role?



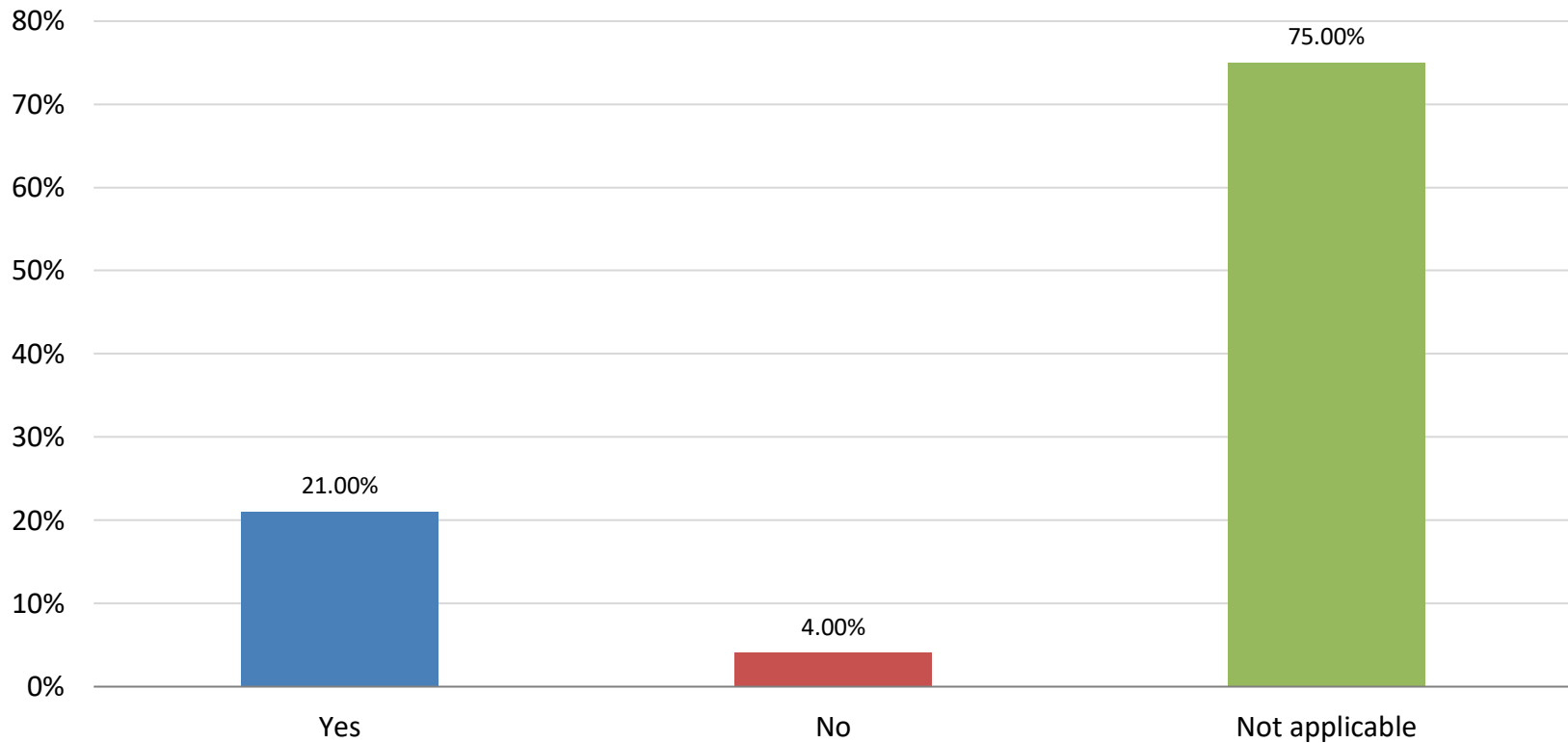
Mean : 2.857 | Confidence Interval @ 95% : [2.777 - 2.937] | Standard Deviation : 1.383 | Standard Error : 0.041

If your pilot role has been made redundant or you have been stood down, what are your intentions regarding remaining within the aviation industry?



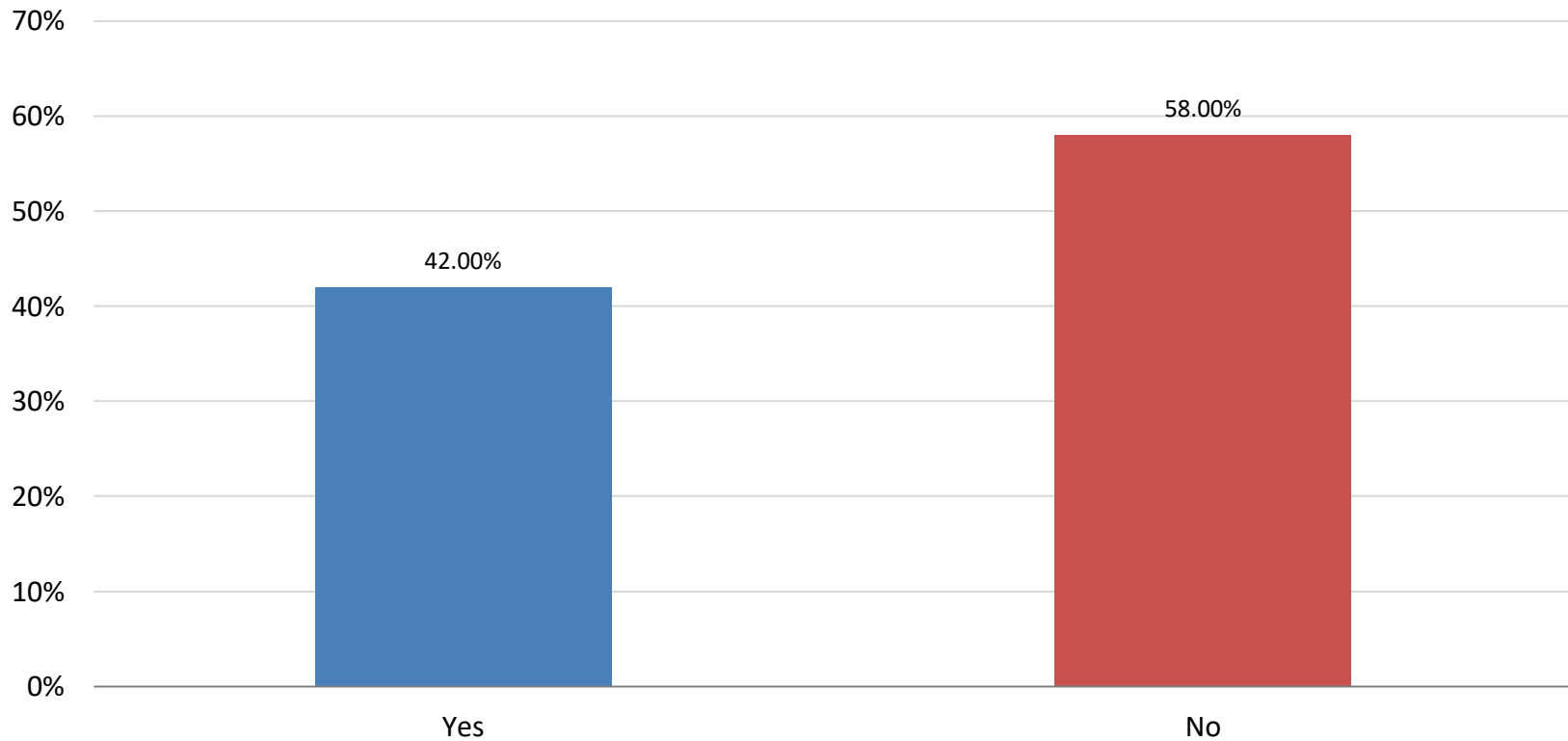
Mean : 2.585 | Confidence Interval @ 95% : [2.498 - 2.672] | Standard Deviation : 1.388 | Standard Error : 0.045

If you have been flying an international type, would you consider converting to a domestic type on the Australian Register?



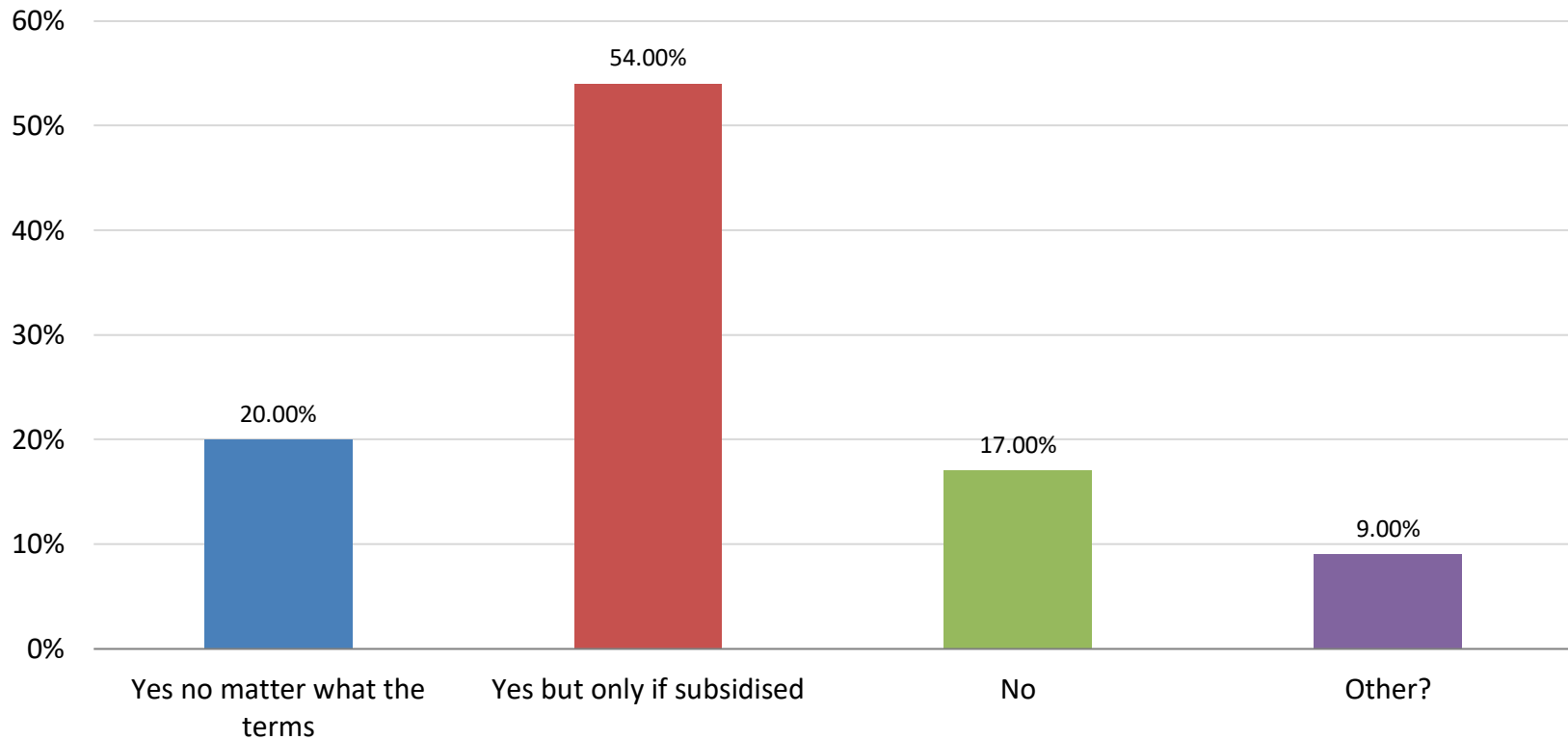
Mean : 2.536 | Confidence Interval @ 95% : [2.488 - 2.584] | Standard Deviation : 0.823 | Standard Error : 0.025

Have you undertaken secondary employment during the pandemic?



Mean : 1.583 | Confidence Interval @ 95% : [1.554 - 1.612] | Standard Deviation : 0.493 | Standard Error : 0.015

If there was a program to keep redundant/stood down pilots 'Job Ready' (through simulator training, basic ground course, type proficiency checks), might you participate in this?



Mean : 2.154 | Confidence Interval @ 95% : [2.104 - 2.204] | Standard Deviation : 0.848 | Standard Error : 0.026

**Aviation supports large parts of
the Australian economy**

**Aviation needs experienced and
current (qualified) pilots to
recover.**

A working concept to support ‘Job Ready Pilots’ Scheme –

**A collaboration between Ansett Aviation Training (AAT) and the Australian
Federation of Air Pilots (AFAP)**

What you will read in this package



This presentation proposes a working model / product to support 'Job Ready Pilots'. Retaining Australia's pilots for Australia's future needs.

This program packages the interests of all Stakeholders into a system that delivers the objectives of licence maintenance and proficiency.

The out of work Pilot will get a 'ticket' to the Program.

This program defines the ideals of "Job Ready Pilots" and delivers the concept under Ansett / AFAP administration. Government support could take the form of an administered Grant i.e. format of Australia's International Development assistance grant programs.

Ansett and the AFAP partnership becomes the 'hub' for these Pilots to maintain connectivity to the Industry and maintain proficiency

Without 'Job Ready Pilots' Australia could easily slip from Pilot surplus to severe Pilot shortage (pre-COVID) with a long and difficult path to meet demand IF our experienced pilots and instructors are 'lost' to the system



**AUSTRALIAN FEDERATION
OF AIR PILOTS**

Problem to be Solved



Many Commercial Airline pilots have lost their job OR/ been stood down from flying including Training. Commercial pilot skills degrade quickly and are more difficult to recover over time than to maintain.

During COVID-19 crisis these pilots have lost the ability to fly and thus to maintain both qualifications (at risk) and basic proficiency (certified and real).

During COVID-19 crisis Pilots have lost all or most of their income and thus the cost of maintaining there own flying credentials is prohibitive.

The Pilot learning path is long and expensive and if a Pilot loses currency and proficiency, re-establishing credentials itself is expensive.

This 'industry shock' (as has never been seen) with fleets grounded around the world for more than 6 months also is untested in the mental and physical health and well-being of Pilots.

We know Aviation will come back. We once spoke of a Pilot shortage. We need our Pilots to be ready when demand dictates that Pilots can fly again AND to make this happen all Stakeholders (identified as 8 separate interest groups) must work together to ensure this critical 'resource circle' is maintained in-tact.



**AUSTRALIAN FEDERATION
OF AIR PILOTS**

Solution



- Ansett and the AFAP deliver a solution that means pilots are ready to fly when demand returns.
- Ready means:
 - Certified
 - Skilled
 - Physically and Emotionally Connected and Healthy
- The Solution involves all identified Stakeholders playing their important role toward ensuring the eco-system that has been developed to skill Pilots is properly functioning
- In a time of COVID this could be taken one step further to draw physical and mental health support resources to Pilots that might not have such support resources provided by an employer and the services of a practitioner(s) who can understand the unique stresses and mental capabilities required to be a Commercial pilot
- Additionally the AFAP support services are available to AFAP members, an arrangement could be included for non-members to get access to the AFAP related resources, including the virtual Crewroom.



**AUSTRALIAN FEDERATION
OF AIR PILOTS**

Funding Options

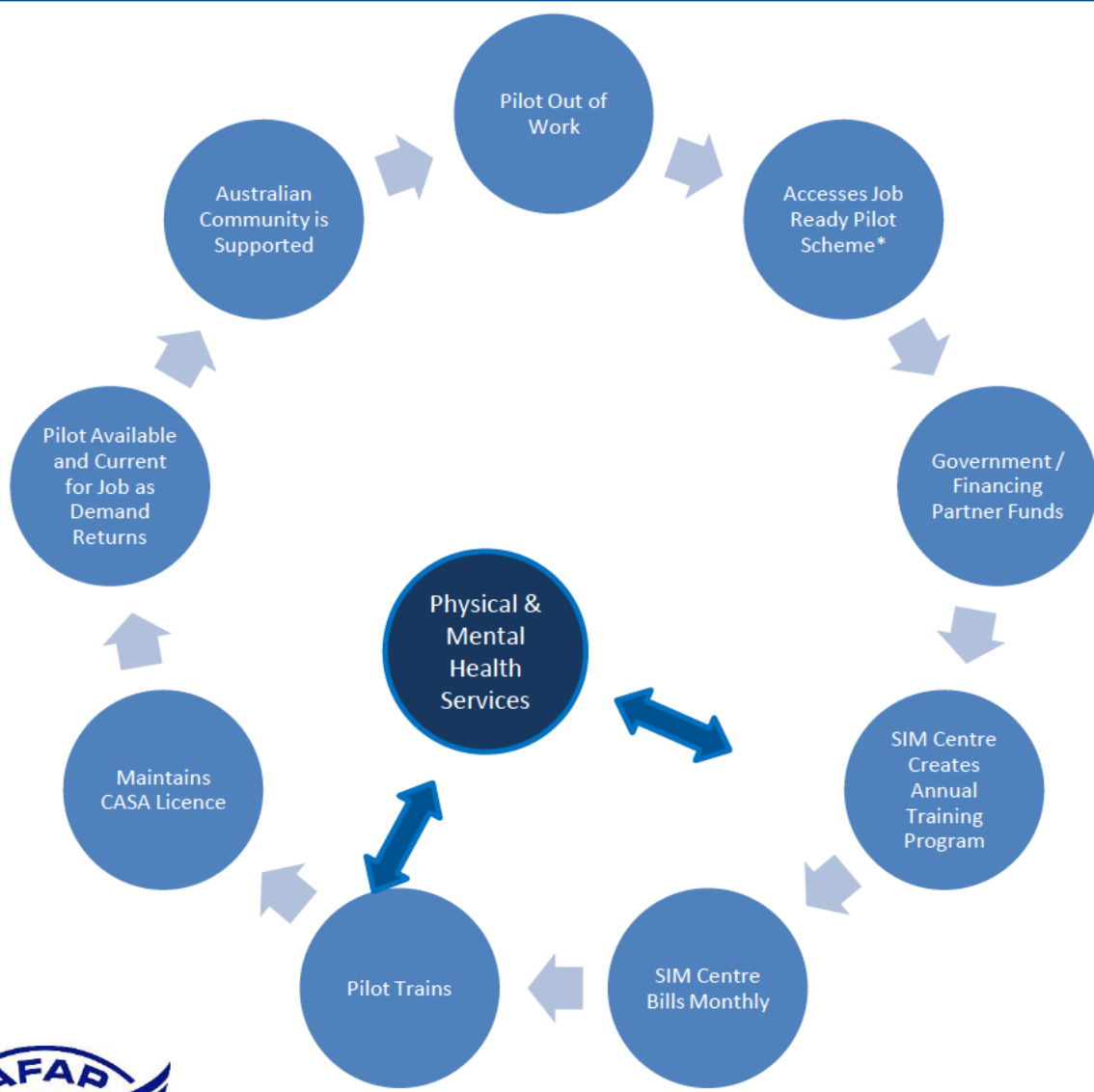


- Funding of Training could be a Mix of Financed Lending with no interest and deferred payment And/or Government Grants
- AFAP will lobby and request this training to be Tax deductible for pilots and a waiver of GST
- Simulator Operators provide discounted training services and infrastructure AND monthly billing under the financed scheme of arrangement
- Financing could be of interest to new FINtech on a Customer acquisition path and / or Buy now Pay Later industry.
- Government support grants will be highly sought after as this solution clearly identifies the funding needed – per Pilot – to save these skills for the community of the future



**AUSTRALIAN FEDERATION
OF AIR PILOTS**

Process



- Ansett / AFAP administers Job Ready Pilots Scheme
- Government / Financing Partner provides funding
- SIM centre discounted rates and provides monthly instalment billing
- SIM provides 24 x 7 access to online CBT and hosts online and classroom courses / “meet-ups”
- Annual accreditation is met
- Airlines have ready access to Pilots who have maintained currency and skill
- Pilot has access to Mental and Physical Health and Well-Being resources with specific interests and alignment to the needs and stresses of Pilots



Potential services administered / accessible



The scheme could package and provide the following services to Pilots:

1. Proficiency checks
2. Simulated line oriented flight training (pre-proficiency checks)
3. Classroom ground school activities. For example:
Human factors; regulatory updates; systems refreshers; PMI courses including refresher training;
4. Industry hosted and SME –Subject Matter Expert presentations. For example:
ATC- Airservices, CASA, MET- BOM, RFF, AVMED, Flight Safety- ATSB, UPRT, EBT, HFNTS, Performance Engineering-AIS, Pinstripe Solutions and Association/Welfare Groups
5. Medical well-being support
6. Job Interview and preparation
7. Licence and Qualification upgrades. For example: CPL to ATPL, SIM instructor ratings, Examiner ratings, Type ratings to new ‘future demand’ types, Differences Training, Cross-crew qualification (CCQ) and refresher courses for existing Types, MCC/JOC and UPRT Programs including Train the Trainer



AUSTRALIAN FEDERATION
OF AIR PILOTS

Simulator Aircraft Types



This is a list of aircraft types that cover most of the aircraft type ratings that redundant pilots hold.

1. Airbus A320
2. ATR 72-600
3. Boeing 737
4. BAe146
5. Fokker FK70/100
6. Dash 8 - DHC 8 (100-300)
7. Saab SF340
8. SA 226/227
9. Beechcraft Kingair B200/B350i
10. Possibly Airbus A330



AUSTRALIAN FEDERATION
OF AIR PILOTS

Monthly Subscription – Summary of Package Offering



SERVICES/INCLUSIONS	BASIC TRAINING PACKAGE (BTP)	BTP + PROFICIENCY
Computer Based Training via CPAT or online learning or online learning	✓	✓
Aircraft Manufacturers' Manual Suites including FCOM's, FCTM's, QRH	✓	✓
Online learning classes conducted by the Ansett Training Department	✓	✓
Skills and Industry forums/webinars /seminars - minimum of 4 per year	✓	✓
TAILORED AIRLINE SPECIFIC: 1 x ground school day for IPC preparation and systems refresher	✓	✓
TAILORED AIRLINE SPECIFIC: 1 x 4-hour full flight simulator session annually (as crew) for IPC Preparation	✓	✓
TAILORED AIRLINE SPECIFIC: 1 x 4-hour full flight simulator session annually (as crew) for IPC	✓	✓
Accessibility to aviation mental health experts (Medicare reimbursable mental health plan) and welfare and aviation support programs	✓	✓
Online HF/NTS and dangerous goods training, additional modules available upon application		✓
TAILORED AIRLINE SPECIFIC: 1 x full day ground school annually		✓
TAILORED AIRLINE SPECIFIC: 2 x 4-hour full flight simulator session annually (as crew), these will include one LOFT and one manoeuvre-based session programmed to maintain recency and proficiency		✓
Estimated cost per pilot per year	\$5,400 plus GST	\$9,900 plus GST



Monthly Subscription – Basic Training Package



- Ansett will charge a Monthly subscription fee of that will deliver the following BASIC training package that will maintain for the Pilot their current **Type Rating and qualification:**
 - Access to Computer Based Training via CPAT or other Online Learning
 - Access to Aircraft Manufactures Manual Suites including FCOM's, FCTM's, QRH
 - Access to online learning classes conducted by the Ansett Training Department
 - Skills and Industry forum(s)/ Webinars / Seminars -Min of 4 per year
 - 1 x Ground School Day for IPC preparation and Systems refresher.
 - 1 x 4 hour Full Flight Simulator session annually (as a crew) for IPC Preparation
 - 1 x 4 hour Full Flight Simulator session annually (as a crew) for IPC
 - Accessibility to Aviation Mental Health experts (Medicare Reimbursable mental health plan) along with Welfare and Aviation support programs

Note: This program with session modifications is suitable to maintain Simulator Instructor-Examiner Ratings and Proficiency



**AUSTRALIAN FEDERATION
OF AIR PILOTS**

Monthly Subscription – Basic Training Package + Proficiency



- Ansett will charge a Monthly subscription fee of that will deliver the BASIC training package plus additional training that will maintain for the Pilot their current **Type Rating and qualification** and support regular maintenance of **Proficiency**:
 - Basic Training Package (BTP) for minimum Proficiency
 - BPT PLUS, includes additional training and support for operational readiness
 - Online HFNTS and Dangerous Goods Training, additional modules available upon application
 - 1 x Full Day Ground School annually
 - 2 x 4-hour Full Flight Simulator session annually (as a crew), these will include one Loft and one Manoeuvre based session programed to maintain recency and proficiency



AUSTRALIAN FEDERATION
OF AIR PILOTS

Stakeholders



Stakeholder	Interest in making this work
Pilot	Out of work pilot stays current and maintains skills Ready to commence flying again when demand returns
Airline	Out of work pilots will be immediately ready to return to flying when commercial
Aviation Regulator	Out of work pilots will be immediately ready to return to flying when commercial Continues the regulators mission to the maintenance of safe skies
AFAP	Supporting their members to allow Pilots to stay current whilst they have little to no income OR/ the necessary training to maintain skills
Financier	Support an industry in need / Corporate Social Responsibility Great PR and Customer acquisition
Government	We need our Pilots and we need Safe Skies The costs of training a new Pilot or one out of licence are substantial and lengthy
Simulator Operator	Training infrastructure maintain usage and standards Reduces risk of potential surge from training coming back on-line all at once
Community	Aircraft transportation is critical to a well-function Australia and pilots are needed to fly these aircraft. Training time frames are lengthy to replace any pilots that exit the system due to COVID



**AUSTRALIAN FEDERATION
OF AIR PILOTS**

Next Steps



- Continue discussions on the Pilot Keeper initiative with the AFAP to develop a robust policy and program.
- Discuss the initiative with Deputy Prime Ministers Office – Lea Vesic Aviation Advisor to the DPM
- Submit the proposal to the Federal Government
- Seek support from other stake holders and organisations



AUSTRALIAN FEDERATION
OF AIR PILOTS

