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The Global Voice of Pilots

news

**Aircraft Order backlog could create
75,000 more jobs**

IFALPA Daily News to re-launch

January 2008

Order backlog could create up to 75,000 more jobs



A380 deliveries are finally underway with Singapore Airlines expected to have four in service by March.

Gideon Ewers examines the state of the market

One of the key indicators of the present health of the airline industry is the state of order backlogs for the major manufacturers. Of course there are those who would argue that aircraft orders are more an indication of the (italics) present (end italics) state of confidence among airline managers and the finance community. But nevertheless it's worth taking a look at the 'state of play' if only to look at the prospects for pilot employment. To that end, in the data that follows the following factors are included: (1) the number of firm orders, (2) the number of aircraft delivered, (3) the firm order backlog. This article takes no account of options held since different manufacturers use different criteria as to what an option is and how much commitment to convert to a firm order there is by a given airline.

In addition, there is an estimate of the number of pilots required to operate the aircraft included in each table. To create these estimates the following assumptions are made six crews per short haul aircraft and 12 per long haul aircraft. While by no means a perfect world solution, these multipliers give a reasonable ball park figure to work from.

55-75,000 more pilots needed to operate the present order book

Using these figures, the demand for pilots makes positive reading with around 108,000 pilots needed to operate the aircraft currently on order. Obviously that is a simplistic

approach to potential demand for pilots since a percentage of these aircraft are intended as replacements for aircraft and fleets are renewed. However it is worth remembering that a large number of older less efficient aircraft were 'shaken out' of the world's fleet in the post 9/11 downturn and that, as a result, a significant proportion of these 'replaced' aircraft are going to remain in the world's fleet moving from mainline to start ups or from passenger to freight operations and thus will still need pilots to operate them. If we assume that 30% of the aircraft on order are pure replacement aircraft, that is to say replacing aircraft which are destined only for the breaker's yard then the remaining aircraft would still generate over 75,000 new pilot jobs, even the most conservative assumption that 50% of the orders are for expansion, means that around 55,000 more pilots will be needed if the aircraft are to be operated.

Of course there are analysts who will warn that there is another downturn around the corner and that now is as good as the market is going to get yet they always seem to be making those predictions so, inevitably, they will be right some of the time. Naturally, there may be unexpected economic or political events which might derail the present positive picture but with that caveat taken into account it is clear that the skills of a qualified and current pilot are set to become an increasingly valuable commodity. If you still harbour doubts about a pending pilot short-

age then consider this, why are so many steps being taken to reduce the time taken to train new pilots? Furthermore, why are single pilot cruise operations being proposed in

the short term and why are both Airbus and Boeing being asked to consider the design elements of a single crew flight deck for the longer term?

Airbus

The big news for Airbus was the long awaited first delivery and entry to service of the A380 with Singapore Airlines taking delivery of its first example at the end of last year. The airline is expected to receive a further three A380s by the end of the first quarter. Airbus reached another milestone when it delivered its 5000th aircraft,

a close for Airbus with the delivery of the last of the type, an A300-600F, to Fed Ex in July.

ATR

10 years ago, caught up in the RJ mania that was sweeping the regional sector of the industry, many commentators were forecasting the imminent demise of the turboprop for passenger operations. The few dissenting voices who noted that higher fuel burn of RJs would see the 50-seaters struggling to be sustainable, were largely ignored or derided. However the realities of the \$100 per barrel oil price have seen resurgence in demand for turboprops. Such is the buoyancy of the market for these aircraft that ATR has announced a major upgrade to the ATR 42/72. Dubbed the -600 series, the upgrade focuses on two areas; the avionics suite and payload improvements. The present flight deck layout will be replaced with a five LCD layout together

Airbus Model	Orders	Deliveries	Backlog	Pilots required
A310	260	255	5	120
A318	103	49	54	648
A319	1605	1029	576	6,912
A320	3280	1811	1469	17,628
A321	653	416	237	2,844
A330-200	400	277	123	2,952
A330-200F	66	0	66	1,584
A330-300	321	228	93	2,232
A340-200/300	252	243	9	216
A340-500	33	26	7	168
A340-600	105	78	27	648
A350-800	127	0	127	3,048
A350-900	149	0	149	3,576
A350-1000	40	0	40	960
A380	177	1	176	4,248

an A330-200 to Qantas, 33 years after its first aircraft, an A300B2, was delivered to Air France. Also during 2007, the A300 era drew to

ATR Model	Orders	Deliveries	Backlog	Pilots Required
ATR42	416	396	20	240
ATR72	509	350	159	1,908

Source ATR

The combined A320 and 737 backlog will require as many as 50,000 pilots.



with a multi purpose computer. The uprated avionics will give the ATRs Cat III capability for the first time. Payloads will be increased with increases of up to 500kg at the same time the power rating of the types PW127 engines will be boosted for improved hot and high performance.

Boeing

Almost every aircraft ever developed has been blighted with delays to its original development schedule, in recent years much of the focus was on the A380 and the delays that aircraft encountered enroute to service entry. In mid 2007 it was the turn of the 787 with Boeing announcing a series of delays to the programme. Although the roll out of the first prototype 787 was pretty much on schedule the first flight expected in September was delayed and delayed again and is now due to take place in March. Even so, the orders for the 787 continue to roll in with the 787th order placed by British Airways at the end of December.

Boeing

Type	Orders	Deliveries	Backlog	Pilots Required
737-600	69	69	0	0
737-700	1432	907	525	6,300
737-800	2633	1314	1319	15,828
737-900	52	52	0	0
747-400	503	503	0	0
747-400F	166	22	144	3,456
747-8	20	0	20	480
747-8F	78	0	78	1,872
767-300ER	537	522	15	360
767-300F	83	49	34	816
767-400ER	38	37	1	24
777-200	88	88	0	0
777-200ER	432	405	27	648
777-200LR	46	12	34	816
777-300	60	60	0	0
777-300ER	338	122	216	5,184
787-3	43	0	43	1,032
787-8	602	0	602	14,448
787-9	172	0	172	4,128

Source Boeing Commercial Airplanes

range of aircraft which will feature aircraft from 100 to 140 seat capacity and bring the manufacturer of regional and corporate aircraft into direct competition with Airbus and Boeing. The company is reluctant to produce a production timeline for this new family of aircraft saying only that it will publish a programme update in March however the introduction of a further stretch to the CRJ programme, the CRJ1000 is an indication that the introduction is still some way in the future. Like its Franco-Italian competitor ATR, Bombardier has seen a resurgence in demand for its turboprop offerings with a backlog of over 100 aircraft the lion's share of which are the for the 70-seat Q400.

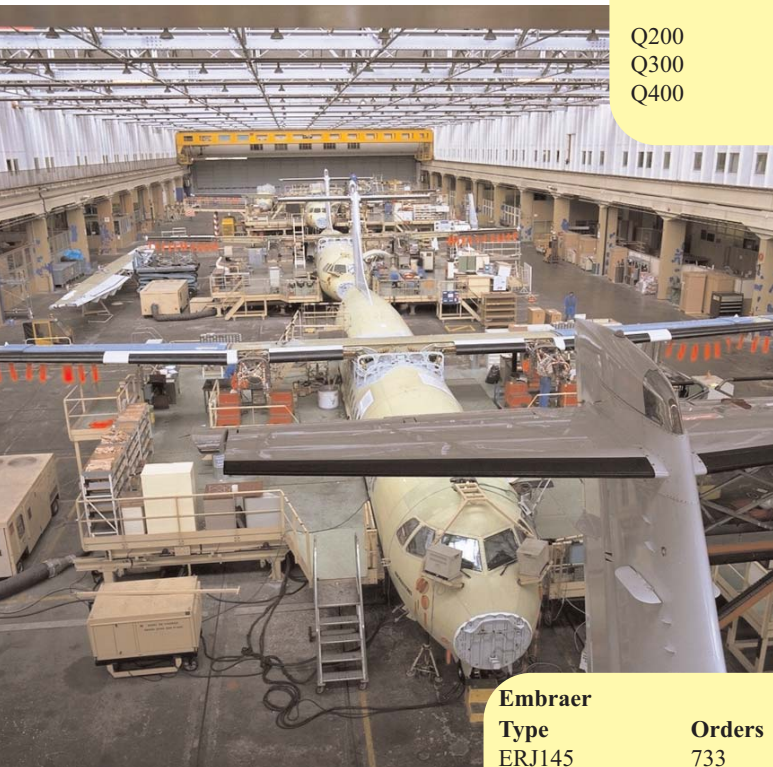
Bombardier

The demise of the small RJ is no where more obvious than in the order book of Bombardier. The Canadian manufacturer ceased production of its 44-50 seat RJs

Bombardier

Type	Orders	Deliveries	Backlog	Pilots Required
CRJ700-701	266	256	10	60
CRJ700-705	15	15	0	0
CRJ900	221	127	94	564
CRJ1000	38	0	38	228
Q200	105	100	5	30
Q300	264	251	13	78
Q400	264	175	89	534

Source Bombardier Aerospace



Embraer

Like its North American rival Embraer has seen a fall off in demand for its small RJ offerings with production of the ERJ135 and 140 effectively stopped and the backlog of the 50 seat ERJ145 winding down although the order backlog for the 145 is still over two years if a production rate of two airframes a month is maintained. Meanwhile, sales of its E-jet family of 70 to 110 seat aircraft is booming especially in the case of the E-190 with a backlog of just under 100 airframes. The company says that in response to continued strong orders it intends ramping up airliner production rates from the present 150 to around 200 airframes per year by 2009.

two years ago and demand for its larger 70-100 seat RJs is suffering from competition from Embraer's E-jet family. The company still has the C-series family under study. This

Embraer

Type	Orders	Deliveries	Backlog	Pilots Required
ERJ145	733	682	51	306
E-170	163	137	26	156
E-175	106	46	60	360
E-190	391	99	292	1,752
E-195	52	10	42	252

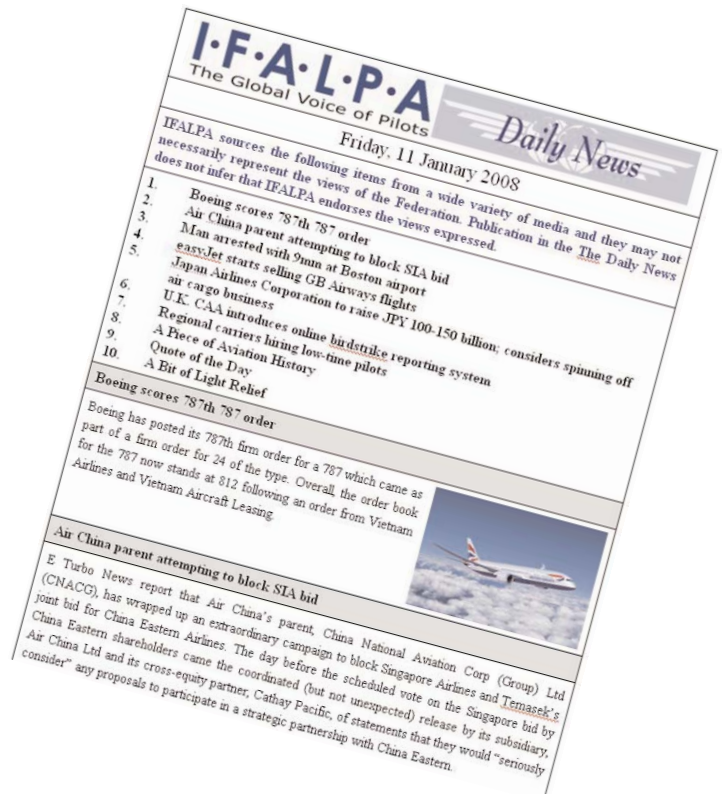
Source Empresa Brasileira de Aeronáutica SA

Daily News to re-launch next month

The IFALPA Daily News which has been available to a limited circulation for the last six years is to be re-launched next month. Due to changes in the way the news stories are sourced the restrictions on circulation that have limited distribution to 800 recipients are being removed and therefore the circulation will dramatically increase.

If you are already a subscriber to the IFALPA News or already receive the Daily News you need do nothing more and from 1 February you will start receiving the re-launched Daily News.

In addition to the direct distribution, and like other IFALPA publications, Member Associations are encouraged to forward the Daily News to all their members or post it on their websites.



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Current Recruitment Bans

The following airlines are currently subject to recruitment bans and or other sanctions while they are in dispute with an IFALPA Member Association. For full details please see the IFALPA website www.ifalpa.org

Finland:

Blue 1

Israel:

Israel Air Industries (IAI)

El Al

Italy:

Italian Helicopter Companies

Kenya:

Kenya Airways

Dates for your Diary

January

No meetings scheduled

February

4

9th Executive Committee Meeting

Chertsey, UK

Contact: Heather Price heatherprice@ifalpa.org

4-7

9th Executive Board Meeting

Weybridge, UK

Contact: Heather Price heatherprice@ifalpa.org

8

Committee Chairman's Meeting

Weybridge, UK

Contact: Heather Price heatherprice@ifalpa.org

March

No meetings scheduled

April

14

10th Executive Committee Meeting

Mexico City, Mexico

Contact: Heather Price heatherprice@ifalpa.org

14-16

10th Executive Board Meeting

Mexico City, Mexico

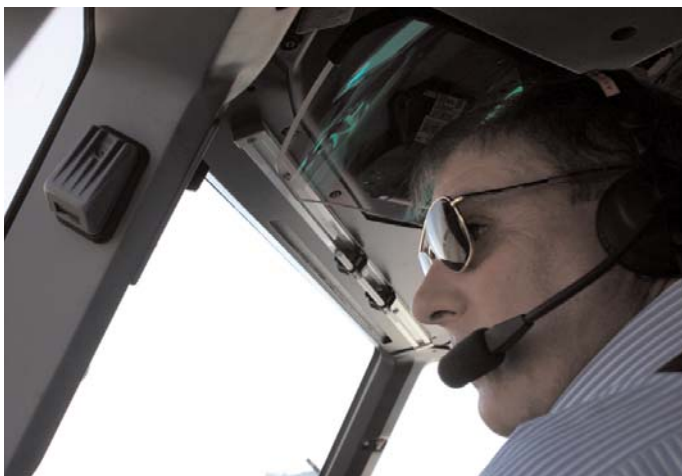
Contact Heather Price: heatherprice@ifalpa.org

18-22

63rd IFALPA Conference

Mexico City, Mexico

Contact Heather Price: heatherprice@ifalpa.org



Have an idea for an article or want IFALPAnews to cover your story? Contact Gideon Ewers, IFALPA Media and Communications Officer Tel. +44 1932 579041 or email gideonewers@ifalpa.org

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