

The Value of an Airline Pilot

The current—and future—state of the airline industry is of primary interest to professional pilots. We avidly watch airline stocks, closely follow fluctuations in the price of oil, and discuss the effect of industry consolidation and other business news. And the news for 2010 was good: the airline industry experienced a positive turnaround, with



airlines worldwide earning more than \$16 billion in profits as passenger and air cargo demand strengthened and revenues increased.

We also pay attention to recent events—the turmoil in the Middle East, the disaster in Japan, and increases in fuel costs—and question their possible effect on our airlines' operations, profitability, and future business plans.

Everything matters in the airline industry.

As you will read in "State of the Airline Industry" (see page 13), events and issues such as those mentioned above clearly factor into the overall economic and financial state of the industry. In their comprehensive assessment of the airline industry, the experts in our Economic and Financial Analysis Department describe improvements in the U.S. and Canadian gross domestic product and job market as well as the recovery in both the passenger and air cargo sectors. They also express their concerns about recent increases in fuel costs, which led to their assessment that "the 2011 outlook will largely be determined by the tug of war between fuel and revenue."

While those factors may determine airlines' future profitability, they do *not* determine the value of an airline pilot. While airline managements adjust their business plans according to current events, ALPA is following through on its strategic plan to enhance airline pilots' quality of life and careers.

We refuse to let external factors that are beyond our control take the Association off course. To that end, ALPA negotiating teams are achieving contractual improvements in pay, work rules, and job security for our members and raising the bar for our profession (see "BOD Delegate Committee 2: Collective Bargaining—Building on ALPA's Historic Success," page 21). In turn, airline managements benefit as well through gained operating efficiencies, improved pilot morale, and stronger working relationships with the pilot groups.

As we see continued industry consolidation through airline mergers, acquisitions, and other business transactions, ALPA is fully engaged with all other stakeholders to ensure that pilots' interests are taken into consideration as these transactions move forward. We are providing extensive resources and support to our pilot groups involved in mergers as well as those facing divestiture and other changes within their airlines.

On the international front, the competition for international flying is increasing, and we must put legislators, regulators, airline managements, and the financial community on notice that we will be vigilant in our efforts to prevent the degradation of the high standards ALPA has justifiably set when it comes to hiring, training, and compensating airline pilots. At ALPA, we believe that a pilot's value is based on his or her professionalism, skill, and experience. One of our top priorities is to challenge all of these individuals and entities—in the U.S. and Canada and around the world—to value pilots based on these attributes.

ALPA's continuing work to advance high safety standards reinforces this principle of a pilot's value. We remain passionate advocates for "one level of safety" regardless of the type of flying because it leads to improved working environments and operations overall. Our message is loud and clear: pilots' safety, as well as that of the passengers and cargo, in the air and on the ground is paramount to maintaining an already

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extraordinarily safe and secure air transportation system. And as evidenced in the FAA reauthorization bill, which includes an ALPA priority of making shining a laser at an aircraft a federal crime (see page 25), pilot safety is of prime concern.

Let's be clear—ALPA pilots make the long-term viability of the airline industry possible. We're the ones who dedicate our lives' service to ensure that all airline pilots survive and thrive, and that our passengers and cargo reach their destinations safely. We look out for ourselves because we know that when each pilot group steps up to negotiate a favorable contract, we will move our profession in the right direction. We've put in more than our fair share to protect this industry, and we'll continue to steer it safely into the future by executing our union's plan with the precision that is required from the finest aviation professionals in the world.


Capt. Lee Moak, ALPA President