

**Oral Testimony of
Captain Lee Moak, President
Air Line Pilots Association, International
before the
U.S. House of Representatives
Transportation & Infrastructure Committee
Subcommittee on Aviation
on
“Air Service to Small and Rural Communities”
April 30, 2014**

Chairman LoBiondo, Ranking Member Larsen, and members of the Subcommittee, I am Captain Lee Moak, president of the Air Line Pilots Association, International (ALPA). Thank you for allowing me to be here to represent ALPA’s more than 51,000 members who fly for 32 airlines in the United States and Canada.

Small-community air service is an important component of our nation’s air transportation. While today’s hearing is focused on this subject, the most serious challenge faced by this sector is one that threatens the entire U.S. airline industry: foreign airlines that are state-owned or -supported and foreign airlines that are attempting to use business models that conflict directly with U.S. government policy.

The economic threat to U.S. airlines is very real. If the United States fails to take action to counter it, U.S. airlines will struggle to compete internationally.

For that reason, I thank you, Chairman LoBiondo and Representative Larsen, for your vigilant oversight of our Open Skies agreements. I may be biased, but I believe U.S. airlines and their workers are the best in the world. We just need to have sound government policies that give them a fair opportunity to compete.

I also thank both of you for your understanding of the threat posed by Norwegian Air International’s “flag-of-convenience” business model. You represent regions with once-vibrant shipping industries and know the threat that these schemes pose to U.S. industry and jobs. We urge this committee to stay engaged.

Likewise, we respect that this committee understands that many state-owned and state-sponsored airlines are competing with different rules, whether it is no corporate taxes or favorable regulatory policies. The U.S. government must level the playing field for U.S. airlines.

Now, I recognize that I was invited here primarily to talk about an alleged pilot shortage. So I want to be clear right now: there is *no current shortage* of qualified pilots in this country. There is, however, a shortage of pay and benefits for qualified pilots.

The average beginning pay at a regional airline is about \$24,000. From ALPA's award winning-involvement on aviation university campuses, we know that many new pilots will spend \$200,000 or more on their education and flight training. Unfortunately, some new pilots are turning to other careers because they cannot earn a living wage at a regional airline.

The lack of a career path for new pilots is also a major concern. Some airlines, one in particular, JetBlue, are working to establish clear career progression to attract new graduates.

In addition, thousands of experienced U.S. airline pilots fly for foreign airlines because of the pay and benefits they offer when compared with U.S. airlines. Now, I know that these pilots, if given the ability, would choose to live and work in the United States, if they were offered competitive pay and working conditions.

ALPA strongly supports the Essential Air Service program.

However, a number of EAS airlines have been vocal about an alleged pilot shortage. Last year, some of these carriers took tens of millions of federal EAS dollars while paying their first officers near poverty-level wages.

More troubling, certain U.S. airlines are attempting to use this contrived pilot shortage as an excuse to roll back the safety gains realized with the new pilot fatigue rule and first officer qualification requirements that were legislated by this subcommittee.

These new safety requirements were developed with input from industry, labor, and government. That's where we do our best work—when working together. The Regional Airline Association was co-chair of the First Officer Qualifications Aviation Rulemaking Committee and the airlines have had years to prepare for their implementation.

While no shortage exists now, avoiding one in the future depends on whether U.S. airlines offer pilots competitive wages and benefits and a solid career—a market-based solution.

To achieve this:

- Congress should examine with DOT the government's relationship with regional airlines that accept millions of dollars under its EAS program while offering wages and benefits at levels so low they cannot fill their pilot seats.
- The U.S. government must ensure our industry does business on a level playing field that allows U.S. airlines to compete and prevail internationally by, among other actions, limiting regulatory bureaucracy and reducing airline taxes.

In conclusion, stronger U.S. airlines mean better profits, more flights to small communities, and improved wages and benefits to attract and retain qualified airline pilots.

Thank you.