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FROM PILOT TO TRUCK DRIVER – AIRLINE CAREERS GROUNDED BY PANDEMIC

The aviation industry's most prestigious and lucrative career path is no longer a sure thing

By Benjamin Katz, Mike Cherney and Alison Sider
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Instead of buying a car in college, Collis Wagner got his private pilot's license.

When he lost his job as an industrial engineer during the financial crisis, he pursued his hobby full time – spending years accumulating flight hours and landing a pilot job at a regional carrier. Last year, he was snapped up by American Airlines, where he flew Embraer E190 jets.

Now, Mr. Wagner, 44 years old, is driving trucks near Dayton, Ohio, after being furloughed in October. He keeps his airline caps tucked neatly in a bedroom drawer: "Proof I was a pilot for real," he says.

The pandemic has changed few professions as profoundly as that of the airline pilot. For now, the aviation industry's most prestigious and lucrative career path is no longer a sure thing.

Young pilots with little seniority are being let go. Older ones are taking early retirement. A generation of aspiring airliner captains is being told not to bother for now.

The British Airline Pilots' Association recently published a video on Instagram warning would-be pilots to put off flight school. "It was probably one of my worst days of work in 23 years," says Wendy Pursey, the union's head of membership and careers services.

The pain is especially acute as neighbors and friends in other highly paid, technical jobs are mostly getting by – working from home or slowly going back to the office.

Greg Harper, a pilot who has worked at Australia's Qantas Airways Ltd. for 25 years, has two kids and mortgage payments on five investment properties. After getting furloughed from the airline, he is now working 70 hours a week at two jobs: one at his local grocery store and the other managing traffic at construction sites.

"It's not about me or my ego, me feeling a bit silly cleaning shopping baskets or whatever I have to do," says Mr. Harper, 52. "I always look back at my family and think, 'Well, at the end of the day, it's for them.' "

With a vaccine approved in the U.K. and more approvals expected, airlines are hoping travel will begin its recovery later next year once enough people have been vaccinated. But they still believe it could take years for demand to return to the highs before the pandemic and subsequent economic fallout. Bringing all their employees back could be a long, slow process. The wait will be that much longer for pilots trying to launch their careers.

Furloughed pilots will be called back eventually, but it could take months or even years. Some may opt to find a different career. Some have retired.

Other industries are trying to lure idled pilots, though typically for much lower-skilled jobs. Schneider National Inc., a trucking firm based in Green Bay, Wis., recently ran recruiting ads aimed at ex-pilots on Facebook: "Whatever vehicle you pilot, you are the 'captain of your ship,'" the ad read, featuring one pilot-turned-trucker. "Switch to a stable, growing career in trucking!" In Australia, some furloughed pilots are working on farms, operating heavy machinery to help harvest crops such as wheat.

Many pilots are drawn to the job by a lifelong love of flying and see it as a way of life. Though the romance of air travel has faded in recent years, being a pilot remains a special occupation, making it hard for some to walk away.

Gary Krasnov, 62, who had been flying jets for decades, had already cut back on his hours. But when Delta Air Lines Inc. released its early-retirement program over the summer – part of an effort to persuade senior pilots to leave voluntarily amid the Covid crisis – his chest tightened and his throat closed.

"I said, 'I can't believe this is happening to me.' It was incredibly overwhelming," he says. Nine days before he retired as a pilot, his wife asked if she could finally put away the suitcase he kept ready to go. He said, "Not yet."

The pandemic will cost some 4.8 million aviation jobs, estimates the Geneva-based Air Transport Action Group, slashing global staff at airlines, manufacturers, airports and air-traffic controllers by more than 40 percent. Airlines alone are forecast to shed 1.3 million jobs.

There aren't dependable numbers for how many pilots have been affected, but union officials and aviation experts say it is already the deepest cull of the profession ever. One European trade union estimates more than 17,000 pilots have lost their jobs on that continent alone.

The scale of the job losses around the world have redrawn the battle lines between airlines and pilot unions, typically among the most powerful labor organizations in the world. Pilot skills take years to build, and in boom times, airlines struggle to recruit and train new ones fast enough. That has given pilot unions leverage to negotiate job guarantees that machinists and flight attendant unions can't.

Today's downturn has tested that bargaining power. "There are so many people losing their jobs, not just in aviation, but elsewhere. There are no other jobs to go to," says Jon Horne, president of the European Cockpit Association, which represents 40,000 pilots in 33 countries. "The unions don't have much leverage in a situation where job losses are in the offing, and airlines have been keen to take advantage of that."

Some unions suspect pay cuts being asked for by airlines are a way of permanently lowering costs even after the pandemic has ended, said Mr. Horne.

Pilots have been forced to navigate plenty of past downturns in the notoriously boom-to-bust airline industry. Airlines know that if they let pilots go in a downturn, they will scramble to find experienced flyers when things pick back up again.

Some airlines have put off pilot cuts this time around. United Airlines Holdings Inc. struck a deal with its union to avoid 2,850 pilot furloughs until at least June. Delta pilots voted in favor of a deal to avert pilot furloughs until 2022: pilots will be guaranteed fewer hours of work, and the more than 1,700 who would have been furloughed will be paid for 30 hours a month though they aren't obligated to fly.

For many others, though, the collapse in air travel is too sharp and forecast to extend too long. The International Air Transport Association, which represents 290 airlines in 120 countries, doesn't expect a return to 2019-level demand for another four years at the earliest.

American Airlines Group Inc. furloughed 1,600 pilots in October. Norwegian Air Shuttle AS A, a trans-Atlantic budget carrier that entered bankruptcy protection in November, has cut or furloughed more than 1,900 pilots with a further 940 at risk. British Airways, Deutsche Lufthansa AG and Air France-KLM Group have all shed hundreds of pilots.

Just last year, carriers around the world were fighting over new pilots, poaching flight school graduates and wooing retiring military pilots. United announced in February – before the full consequences of the pandemic were clear – that it was buying a pilot training school to keep it supplied with new recruits.

"It takes five years to train up the pilot," Mike Leskinen, United's vice president of corporate development and investor relations said at an industry conference last month. "So if you think the industry is going to be recovered by 2025 – and we passionately think it will be recovered before that – we need to start to think about how to attract those pilots of the future today."

A senior pilot can make as much as \$350,000 in the US The job can also lead to well-paying gigs overseas.

That is all over now for younger pilots. The cuts are hitting the newest, least-experienced pilots first, due to union rules in much of the Western world that require furloughs to start with the last to be hired.

Two years ago, Briton Jacob Woodbridge, 22, won a pilot spot at a European discount carrier, which committed to hiring him after he completed his training. The 18-month course cost about \$145,000. His parents remortgaged their house to finance the training.

"We kind of saw it more as an investment than throwing money at it," he says. "If we knew how it panned out, would I have even considered letting my parents do this? Absolutely not."

After the pandemic hit, his job offer was deferred and later rescinded. Mr. Woodbridge started looking for something else, including applying for work at a box factory. Eventually he found a job as a delivery driver for a frozen-food specialist. He estimates that about a third of his classmates from flight school are now working as delivery drivers.

It's a "decent job," he says. "But it's not, you know, necessarily in the same league as the pilot thing." He still hopes for a career in flying.

Older pilots, meanwhile, are looking at a quicker-than-expected end to their flying life, some with 401Ks and pensions not quite ready for retirement.

Mr. Krasnov, who took early retirement, has been flying commercial jets since he was 28. In recent years, he scaled down his hours at Delta, working more at a second job at a financial advisory for airline workers.

He spent much of the spring and summer helping other pilots decide whether to take buyout offers. Even those financially able to retire had trouble giving up a job that has become part of their identity, he said.

"For a very large number of people on the seniority list, it's all they've ever done," he says. Many pilots had pictured the traditional send-off – a water-cannon salute once their last flight lands. Instead, they flew their last flights as pilots without realizing it, Mr. Krasnov says.

A lucky few are going out in style.

Sharon Preszler decided she wanted to fly when she was four, after a visit to the cockpit on a flight. She told her mom she wanted to be a flight attendant. Her mother said to consider shooting for pilot.

She eventually joined the Air Force and was the first woman to fly the F-16 fighter jet. After retiring from the military in 2006, she joined Southwest Airlines Co.

Amid the crisis, Ms. Preszler, 55, took a Southwest early-retirement offer, seizing the chance to get a master's degree and launch a new career.

Flying between empty airports just wasn't the same. "I had a really hard time having fun when I went to work those last few months," she says. "I think I'll miss it eventually."

Southwest flew her family to accompany her on her last flight. Pilot friends sat in the jump seat. Ms. Preszler's husband, a Southwest flight attendant, passed out candy bars to passengers.

Southwest says it has more staff than it needs, which will cost it an extra \$1 billion next year. It is seeking 10 percent cuts from each of its labor unions and has said it would furlough workers otherwise for the first time in its history.

The airline once touted its perfect record of avoiding cuts as a way to recruit pilots. Last week, the airline sent notices of potential furlough to over 1,200 pilots.

"It isn't a negotiation, it's a gun to your head," says Jon Weaks, a captain who heads the union that represents Southwest pilots. Even without a salary cut, many pilots are bringing in much less than they normally would with so many flights grounded.

Southwest aims to preserve every job, said Vice President of Labor Relations Russell McCrady, in a written statement, but needs temporary cost reductions to offset overstaffing costs.

Hong Kong's Cathay Pacific Airways Ltd. gave pilots 14 days to agree to new contracts in October, but those who agreed within seven days got a better deal. Those that didn't agree to the terms were fired, though the airline said those pilots would get packages beyond what is legally required.

"The short timeline denied them the opportunity to have a meaningful conversation with their families of a career-changing or life-changing decision," says Chris Beebe, the general secretary of Cathay's biggest pilot union. "What has happened here is something that was unilateral, imposed, permanent and draconian."

The new contracts cut compensation for pilots by up to 58 percent, Mr. Beebe says. There is also no clause in the contract that allows pilots to return to their previous pay when the air-travel market rebounds, he said.

Despite those terms, Cathay Pacific said in a news release that about 2,600 pilots, or 98.5 percent of those asked, agreed to the new contracts and that requesting pilots to accept reduced pay ultimately protected jobs. The airline said later that the pay cut will depend on hours flown, and that for most pilots the reduction will be less than the figure provided by the union, particularly when flying resumes to normal levels.