

**STATEMENT OF
THE HONORABLE JERRY F. COSTELLO
SUBCOMMITTEE ON AVIATION
HEARING ON
“REGIONAL AIR CARRIERS AND PILOT WORKFORCE ISSUES”
JUNE 11, 2009**

I welcome everyone to the Aviation Subcommittee hearing on Regional Air Carriers and Pilot Workforce Issues.

On February 12, 2009, a Colgan Air Bombardier Dash 8, doing business as Continental Connection Flight 3407, crashed en route to Buffalo-Niagara International Airport. All forty-five passengers and the four crew members died, as well as one person on the ground.

Mr. Mike Loftus' daughter, Madeline, was a passenger on Flight 3407. I am pleased he is joining us today to offer testimony. On behalf of each member of the Subcommittee I extend our sincere condolences to you, as well as other family members and friends who lost loved ones in this tragic accident.

The National Transportation Safety Board (NTSB) held a three day public hearing on May 12, 13, and 14 on the Colgan Air Flight 3407 crash. The investigation is on-going and final conclusions and outcomes are not expected to be made for many months. We need to let the NTSB investigation run its course.

However, the NTSB hearing identified the need to closely examine the regulations governing pilot training and rest requirements and the oversight necessary to ensure their compliance, with a particular focus on regional airlines. While we do not have all of the facts, I am concerned that these issues could be symptomatic of larger trends driven by economic pressures within the airline industry.

We are in an economic downturn that has placed enormous pressures on airlines to cut costs. Airlines cannot control the cost of fuel or the cost of aircraft. But they can control what they pay pilots, how they train pilots, what that training will cost, and when pilots can fly.

Due to cost concerns, major airlines have cut their own domestic capacity and **outsourced** air transport service in many cases to the lowest bidder to smaller, lower-cost regional airlines and then keep the passenger ticket revenue. Approximately 90 percent of regional airline passengers travel on flights that are scheduled, processed, marketed, ticketed and handled by major airlines through code-share arrangements. To win the contract to fly for the major carriers, the regional airlines have gone to great lengths to provide their services at the lowest possible cost. With today's economic and outsourcing business practices, pilots with decades of experience are laid off from the major carriers, but cannot afford to work for one of the regional carriers because they are faced with starting over as a first officer making less than \$25,000 a year. The economics

and incentives to outsource to cheaper contractors must not outweigh the value of having experienced pilots in the cockpit.

Today regional airlines are viewed by pilots as an entry-level “stepping stone.” They do not pay as well as major airlines and they do not require as many flight hours to get hired. However, regional airlines have been involved in the last six fatal airline accidents, and pilot performance has been implicated in three of these accidents. There must be “One Level of Safety” between major and regional airlines – mandated rather than just recommended by the FAA.

I believe we need to take an industry-wide look at strengthening pilot training requirements. In theory, FAA- training programs certify that every airline, both regional and major, train its pilots to the same standard. I think the FAA regulations are too broad and the minimums are too low. We must find a solution to fix this so everyone is on the same level, not just in theory, but in practice. I have requested that the Inspector General of the U.S. Department of Transportation review FAA’s regulatory requirements for airline pilot training programs and report back.

It is important to note that many of the training issues that surfaced during last month’s NTSB hearing are not new. We have seen them surface in other accidents. For example, as a result of a December 2003 Federal Express crash at Memphis involving a pilot that failed numerous proficiency checks, the NTSB recommended requiring airlines to establish remedial training programs for pilots who have demonstrated performance deficiencies. In 2006, the FAA responded by issuing guidance recommending that airlines implement remedial training programs. NTSB will testify today that despite the FAA’s recommendation, Colgan **did not** have a remedial training program in place.

While I applaud the Obama Administration’s “Call to Action” earlier this week, I do not believe we can rely on airlines to voluntarily comply with industry best practices. As we now know from testimony at the public hearings, Colgan had not fully implemented industry best practice safety initiatives, such as Flight Operational Quality Assurance program before the accident. We need to require that all regional carriers implement the best practice safety initiatives that are common among the major carriers. Further, the major carriers need to take more ownership of the regional carriers’ training programs and implementation of best practices.

I also want to a frank discussion regarding airline pilot pay. I have met with the pilot groups and I understand their concerns that pay and benefits have declined over the years, due to bankruptcies, mergers and acquisitions, oil prices, 9/11, failed labor negotiations, and furloughs.

Airline pilots are highly skilled safety professionals. They are responsible for people’s lives. Airline pilots deserve the respect that their profession once had and they should be paid far more than \$24,000 a year, which is what the first officer of Flight 3407 was paid.

Low pilot pay is symptomatic of other troubling pressures and trends within the industry. Some regional airlines are paying pilots the absolute minimum that the market will bear, with no relation to the lives they are responsible for, or the value or seriousness of the work they perform. It is detrimental to the overall self-image and morale within the

airline pilot profession, which is reflected, in some instances, by poor professionalism. While low pilot pay may keep airline costs down, it does not serve the public well.

Moreover, low pay drives away qualified and experienced pilots. There was a time when a high percent of our commercial pilots were former pilots in the U.S. military. That is not the case today. Far fewer military pilots are applying to the airlines when they retire because of the low pay of regional carriers.

NTSB is also looking at fatigue with regard to the Colgan accident. Fatigue has been on the NTSB's Most Wanted list since 1990, and continues to be identified as an issue in many accidents. The FAA has yet to update its rules governing crew rest requirements taking into consideration the latest research on fatigue. Nor has the FAA developed and used a methodology that will continually assess the effectiveness of fatigue management systems implemented by operators. This is simply unacceptable! I have asked the Inspector General to conduct an extensive review of fatigue issues, and I look forward to hearing how he intends to move forward with this audit.

After this hearing, I intend to draft legislation to address some the concerns and issues we will discuss today.

Finally, this hearing is not intended to condemn the major airlines or all regional carriers. It is intended to identify problems in the system that need to be addressed to improve and enhance safety.