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STUDY PROJECT

THE AVIATION CAREER IMPROVEMENT ACT AND ITS IMPACT ON RETENTION

BY

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USAWC MILITARY STUDIES PROGRAM PAPER

THE AVIATION CAREER IMPROVEMENT ACT AND ITS IMPACT ON RETENTION

AN INDIVIDUAL STUDY PROJECT

by

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On November 29, 1989, the Aviation Career Improvement Act (ACIA) became binding on the military services as part of the National Defense Authorization Act. The ACIA was intended by both the Congress and the military services as a measure to improve pilot retention and was primarily directed at military compensation by increasing flight pay and continuing the pilot bonus. However, it also affected career management issues that included changing the flying gates and the active duty service commitment for flight training. This paper initially reviews the retention situation in the Air Force and the specific provisions of the ACIA. Next, the impact these provisions will have on the Air Force is examined to include several provisions that could have a very positive affect on retention. The pilot bonus and the new flying gates are examined in detail because of the difficulties that can be expected when they are implemented. The overall success of the ACIA is examined one year after implementation by looking at the latest retention rates as compared to previous years. This leads to the conclusion that ACIA has had little or no positive impact on pilot retention since the new rates are lower than the previous year. The author next makes several recommendation that need to be considered if pilot retention is to improve.

Introduction

On November 29, 1989, the Aviation Career Improvement Act (ACIA) was passed as part of Public Law 101-189, the National Defense Authorization Act for Fiscal Years 1990 and 1991. This Act is also known as the Glenn-McCain Act after its two principal authors Senator John Glenn of Ohio and Senator John McCain of Arizona. ACIA was developed to help the military services cope with their pilot retention problems. According to Senator Glenn, the act "would improve the management and compensation of aviators on a comprehensive and systematic basis. These improvements are directed at increasing the retention of aviators to levels consistent with the desired retention rates of aviators in the military services."[1] Since passage of the authorization act, all sections of the ACIA are now binding on the military services and have a direct impact on the pay and professional development of the military aviators that were targeted.

ACIA was not put together in haste. Instead, it was the subject of Congressional hearings with the chiefs of personnel from all the military services answering questions and presenting the views how the act would impact retention within each respective service. The Air Force specifically favored some parts of the act while anticipating problems with other sections. However, the Air Force did support the ACIA. It has now been over a year since the ACIA became law and the Air Force has had a chance to implement the specific provisions. How well have the initiatives sponsored in this act helped the Air Force with its pilot retention problem? This paper will address that question by reviewing the pilot retention

situation within the Air Force that led to the need for ACIA, examining the specific provisions of the ACIA and their impact on the Air Force, providing views on whether the act has accomplished its intended purpose and discussing alternatives for retaining pilots

Background

Pilot retention is a key factor in the overall management of rated officers in the Air Force. It affects almost everything from combat readiness of the force to flying training programs to overseas assignment policies.

Air Force pilot retention has historically been measured by a cumulative continuation rate (CCR). CCR is defined as the percent of officers who would complete the retention sensitive years of a career if the retention pattern for the previous 12 months continued.[2] The CCR has varied over the years from a low of 26 percent in 1979 to a high of 78 percent in 1983. Since active duty service commitments have been five years upon completion of pilot training, the retention sensitive years have historically been designated the 6-11 year group. What all this means is that with a 26 percent CCR in 1979, 74 percent of the pilots entering their sixth year of service were separating from the Air Force before completing their eleventh year of service.[3] Once officers reached the eleventh year of service, they were assumed to be committed to a career and the odds of separating were very small.

Since the high retention years of the mid eighties, Air Force pilot retention has dropped steadily and by the end of FY 89 it was at 36 percent. This is the lowest rate since the FY 79 all-time low.[4] But the problem has also expanded to more senior officers. No longer is the Air Force losing pilots in only the 6-11 year groups, but the number of pilots separating with 12 to 14 years of service has increased to 1979 levels.[5] This has the Air Force retention managers changing their CCR focus to the 6-14 year groups. The chart below provides the percentages for both groups.

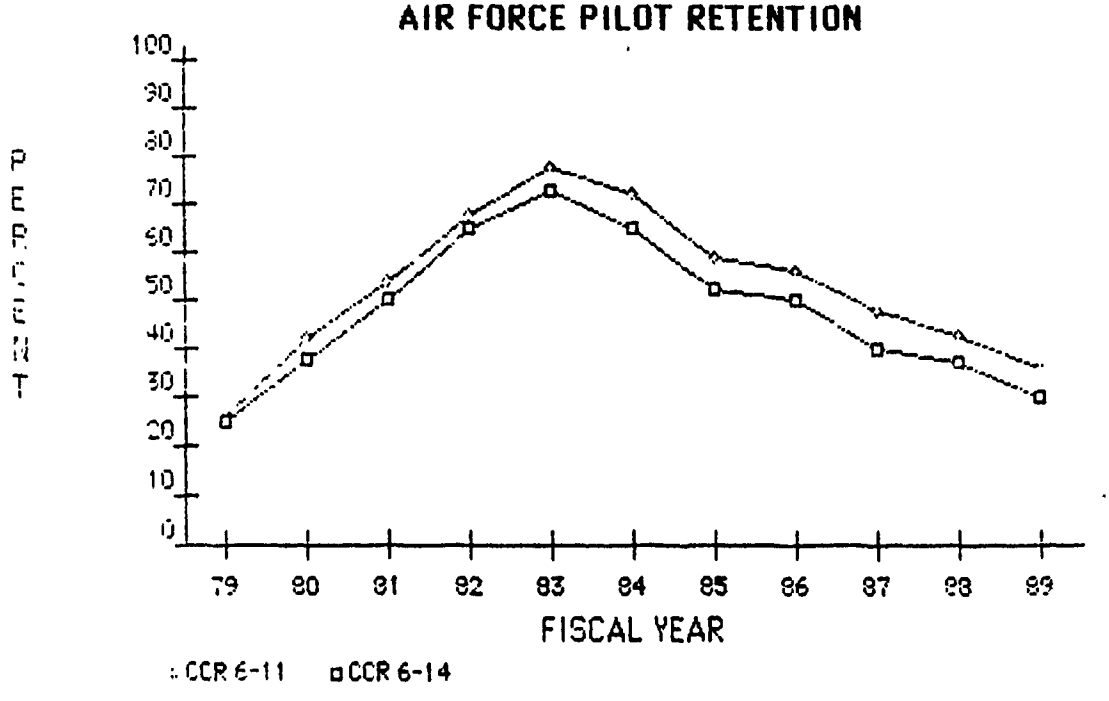

Figure 1[6]

It is important to understand the impact of CCR on the Air Force. The ideal CCR for the Air Force is between 60 to 65 percent. If the CCR is too low it means that the ratio of experienced pilots to inexperienced pilots is low. This leads to increased accident rates and a decrease in readiness because there simply aren't enough pilots with the hours to be considered experienced. If, on the other hand, CCR is too high there are more pilots available than cockpits to train them in. Consequently, it is more expensive since it takes much longer to train a pilot to desired experience levels.[7]

Why are pilots leaving? Surveys and feedback from commanders say the prime reasons are civilian employment opportunities, lack of say in assignments, desire for geographic stability, quality of senior leadership and family separation.[8] Civilian employment opportunities for pilots simply mean that the airlines are hiring. Civilian airline hires have traditionally determined the retention ability of the Air Force to keep pilots. An interesting reason not usually mentioned by pilots is a dissatisfaction with the level of pay in the military, although there is no doubt the larger salaries the airlines offer surely is a pull to separate. But an important fact to remember is that dissatisfaction with the pay in the military is not pushing pilots out of the service.

What is also interesting is that the military has control over all the major irritants except one, the opportunities available in the airlines. A historic look at airline hiring points out this opposite relationship with pilot retention. This problem will certainly continue for many years since airline projections for the major carriers only indicate the need for 4,000 to 5,000 pilots per year until the end of this decade. This is due to very large airline pilot retirements and also

planned airline expansion. When the CCR from figure 2-1 is overlaid with the airline hires, a clear picture of the airlines' impact on retention is shown.

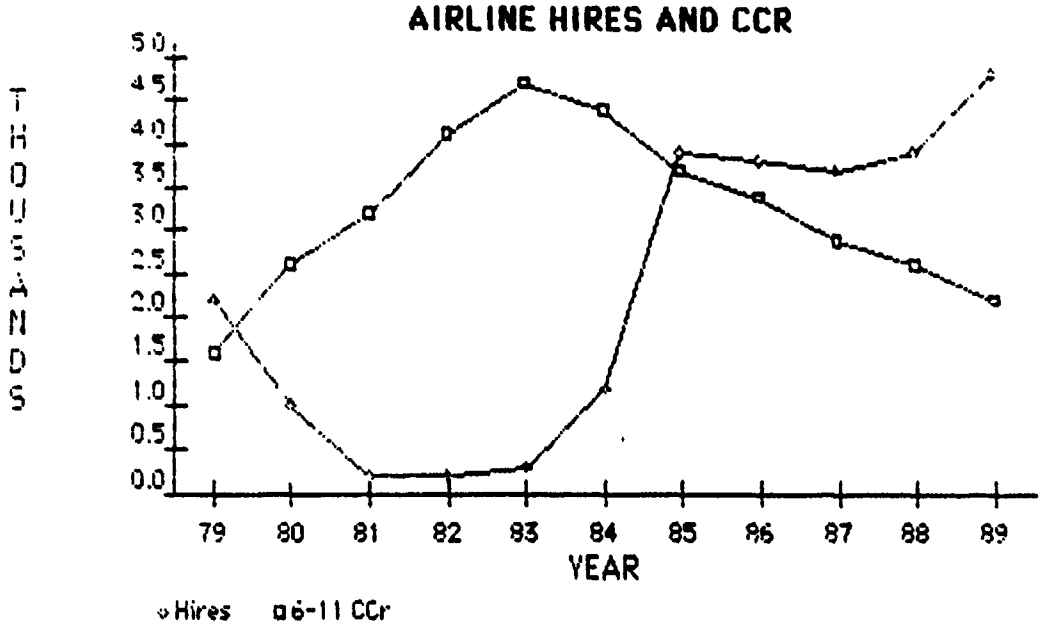

Figure 2[9]

The Specific Provisions of ACIA

As stated earlier, ACIA is an attempt to help stem the poor retention of the military services. Going through the two houses of Congress, the AICA was subject to hearings before the Subcommittee on Manpower and Personnel of the Senate Armed Services Committee. The primary witnesses at these hearings were the

Deputy Chiefs of Staff for personnel from each of the military services.

Speaking for the Air Force, Lt General Thomas Hickey told the congressional committee that "the introduction of the Aviation Career Improvement Act of 1989 is a positive step to increasing our readiness posture" and "if appropriate actions are not taken, we will have a pilot shortage of more than 2,400 by 1994."[10]

A look at the specific provisions of the AICA is necessary to understand what issues the Congress and military services felt were important in the fight to increase pilot retention. In addition, this provides an insight into the methods they hope will fix the problem. A summary of the different sections of the ACIA follows:

(a) Section 631 Aviation Career Incentive Pay (ACIP)

This section changes the entitlement requirements or flying gates that a pilot must attain to remain eligible for aviation career incentive pay or flight pay. The following chart shows the previous requirements and compares them to the ACIA requirements that must be reached to continue receiving flight pay past each particular gate.

AVIATION SERVICE GATES

Continuous ACIP Through	Previous Requirement	New Requirement
18 years of service	6 by 12 years	9 by 12 years
22 years of service	6 by 12 years and 9 by 18 years	9 by 12 years and 10 by 18 years
25 years of service	6 by 12 years and 11 by 18 years	9 by 12 years and 12 by 18 years

Figure 3[11]

Section 631 also changes the amount of flight pay for aviators with between 6 and 18 years aviation service from a maximum of $400 to $650 per month. In addition, flight pay is increased to the amounts shown in the following pay table.

Years of Service	Monthly Rate
Over 18	$585
Over 20	$495
Over 22	$385
Over 25	$250

Figure 4[12]

Section 631 additionally provides for a waiver of these requirements on a case by case basis for the needs of the service. This would allow an officer to continue to receive flight pay despite not completing a flying gate. The Secretary of Defense is required to report to Congress annually the number of officers with such a waiver and the number of officers that do not meet the minimum gate requirements.[13]

(b) Section 632 Aviator Retention Bonuses

The pilot bonus is continued under this section for at least another year. Pilots between their sixth and thirteenth year of service and with the commitment from pilot school completed are eligible to sign up for the bonus.

The amount of the bonus varies between $6,000 and $12,000 per year depending on which year of service the pilot is in when signing up for the bonus. A new provision with this bonus from the previous years is the option to take up to one half of the total bonus in a lump sum. For example, a pilot signing up for the maximum seven years would receive $12,000 per year for a total bonus of $84,000. The lump sum option allows the pilot to receive $42,000 the first year with the remainder equally divided throughout the remaining 6 years of the bonus contract.

The services are required to provide the Secretary of Defense a yearly report analyzing the effect of the bonus program on the retention of pilots. This report will likewise be provided by the SECDEF to Congress.[14]

(c) Section 633 Reduction in Nonoperational Flying Positions

By September 30, 1991, the number of nonoperational flying positions must be less than 98 percent of the number of such positions as of September 30, 1989. This will be further reduced to 95 percent of the 1989 levels by September 30, 1992. The law goes on to disallow any increase in nonoperational flying positions after the 1992 target date.[15]

(d) Section 634. Minimum Service Requirements for Aviators

The active duty service commitment for jet pilot training is increased to a minimum of 8 years.[16]

(e) Section 635. Report on Life Insurance

The Secretary of Defense is required to submit a report to Congress evaluating the adequacy of the current Servicemen's Group Life Insurance program. The report is to also consider the practicability and desirability of providing accidental death and insurance plans for aviators and aviation crew members in the amount of $100,000 for death resulting directly from the performance of operational flying duties.[17]

(f) Section 636. Report on Aviator Assignment Policies and Practices

Requires the Comptroller General of the United States to submit a report to Congress that evaluates the aviator assignment policies and practices of the Armed Forces.[18]

(g) Section 637 Sense of Congress Regarding Establishment of Commission to Conduct A Study on the National Shortage of Aviators

Recommends that the president establish a commission to study the reasons for the critical shortage of pilots in both the Armed Forces and commercial airline industry. A report of the results of this study should be submitted to the President and Congress not later than March 1, 1991 and should include specific recommendations for eliminating the shortage of aviators in the United States.[19]

ACIA Impact on the Air Force

As stated earlier, during the congressional hearings prior to the passage of ACIA, Lt Gen Hickey, The Air Force Deputy Chief of Staff for Personnel, provided the Air Force position on the ACIA. Many of the provisions of the ACIA are relatively simple for the Air Force to institute and are not controversial, but the issues of the pilot bonus and gate management are more difficult to explain.

The position of the Air Force was split on Section 631 of the act. While strongly wanting a raise in flight pay, the management of the new gates was felt to be a concern. General Hickey stated that the increase in flight pay would cost approximately $60 million a year and would keep only 500 to 550 pilots over a 5-year period.[20] However, this proposal was strongly supported since flight pay had not been increased since 1981 and had lost 27 percent of its value to inflation.[21]

Aviation continuation pay (ACP), the pilot bonus, represents an ongoing effort to improve pilot retention. In September 1988, Congress appropriated $36.2 million for the Air Force FY89 ACP implementation. This was appropriation authority for the period January 1, 1989 to September 30, 1989. ACIA extended this bonus authority to September 30, 1991 and included the upfront bonus option of 50 percent of the total contract amount.[22] General Hickey stated that the Air Force lacks experience with a bonus and that the pilots are not enraptured with it. However, he felt the bonus is working for the Air Force and is worthwhile to continue. He estimated that the bonus would cost about $70 million per year but would save approximately 1,500 pilots who would otherwise separate over a 5 year period.[23]

Concerning the issue of reducing pilot requirements for non-flying positions, the Air Force has already scrubbed aviator requirements several times in the past few years and, as a result, should have no trouble meeting the 5 percent reduction in non-operational flying position as required by that section.[24]

The Air Force fully supported increasing the service commitment for flight training, to eight years. The Air Force had already increased its service commitment for pilot training from six to seven years in 1987 and to eight years in 1988.[25] In fact, the Air Force plans to extend the commitment upon completion of pilot training to ten years beginning October 1991.

The issue of assignment policies for pilots has been examined and adjusted quite a bit in the last few years. The Air Force welcomed the opportunity to document the progress it has made in the assignment area. There have been sweeping changes in the way careers are managed through the Officer Professional

Development program.[26] These include keeping pilots in the cockpit until the first gate is completed, not allowing captains to be assigned to higher headquarters staff positions, and assuring the squadron commander's active involvement in the assignment process

The requirement to study the aviation industry in this country was strongly supported by the Air Force. General Hickey stated that the military cannot afford to train and experience pilots needed to meet the large demands of the airline industry. He believes that the government and private industry need to participate in a joint venture to produce pilots in sufficient numbers and skills to satisfy the demands of both the military and the airline industry.[27]

Although the Air Force supported almost all of the provisions of the ACIA, there are drawbacks to the pilot bonus and the new gate requirements that need to be considered. These include the marginal cost value of the bonus, the problems associated with the pay inversion created by the bonus and the difficulties that will be encountered managing the force under the new gates.

First, the cost factor of the bonus should be considered prior to considering it a success or failure. It has been determined that the cost to age a fighter pilot through the first 6 years is around $6 million. Therefore, if the pilot bonus keeps only 10 pilots in the Air Force it is a good investment considering that the FY89 bonus authorization was only $36.2 million. But, that sort of logic only tells a small part of the bonus story. Were the few pilots that accepted the bonus eligible to separate from the Air Force in the first place?

Pilots are only eligible for the bonus after their initial active duty service commitment (ADSC) for flight training is completed, but that does not mean they

have no commitment to the Air Force. Many pilots receive additional service commitments as compensation for expenses incurred during flight instructor training, qualification in a new aircraft, permanent change of station (PCS), and tuition assistance. In fact, most pilots have commitments that extend beyond their initial pilot training commitment. However, these pilots are still eligible for the pilot bonus. There are even some pilots that already have commitments that are greater than the length of their bonus contract. The chart below shows the number of pilots that accepted the FY89 bonus and how many already had a commitment to the Air Force.

MONTHS REMAINING IN COMMITMENT	ACCEPT BONUS	ELIGIBLE BONUS	PERCENT ACCEPT
0	367	719	51
0-6	421	864	49
6-12	637	1102	58
12-18	912	1257	73
18-24	846	1045	81
24-30	255	298	86
30-36	176	192	92
36+	30	35	86
TOTAL	3643	5512	66

Figure 5[28]

The above figures indicate that only 10 percent of the pilots that accepted the bonus in FY89 had no commitment to the Air Force. This fact tends to degrade the effectiveness of the bonus and makes the cost figures less impressive since 90 percent of the pilots taking the bonus had some commitment to the Air Force and couldn't separate at the time the bonus was accepted. This marginal cost factor can be depicted by the following example of two pilots that have completed 10 years service and sign up for the bonus. Each would recieve $28,500 for signing a bonus contract which commits them for three years. The difference is that one pilot has no previous commitment while the other has a 24 month commitment for one reason or another as previously mentioned.

PILOT 1

36 Months Bonus Period

BONUS LENGTH - 11 YEARS /----------/14 YEARS

BONUS EFFECTIVENESS -11 YEARS /----------/ 14 YEARS

36 Months Additional Service From Bonus

36 Months Bonus Period

BONUS LENGTH - 11 YEARS /----------/ 14 YEARS

BONUS EFFECTIVENESS - 11 YEARS /----------/----------/ 14 YEARS

24 Months Existing Commitment | 12 Months Additional Service From Bonus

Pilot 1 Marginal Cost $28,500 / 3 Years = $9,500 / Year

Pilot 2 Marginal Cost $28,500 / 1 Year = $28,500 / Year

Figure 6[29]

From the above figures the Air Force gets a pilot for an additional three years for the same cost as only one additional year for another pilot. This marginal cost concept is one of the big drawbacks of the current pilot bonus.

A second shortfall of the bonus program involves the pay inversion that is created by paying junior officers more money than their bosses. This is very common with the bonus since the experienced pilots that run a flying squadron are usually majors and lieutenant colonels with over 14 years and therefore ineligible for the bonus. For example, using the 1991 pay chart, a married captain with 8 years service with the pilot bonus receives almost $300 more per month than a married major with 14 years of service not eligible for the bonus.[30] In many cases this major is the captains' flight leader, chief pilot, performance rating official, and in some smaller units, commander.[31]

This pay inversion issue has a very negative effect on the supervisory level pilots who are being paid less than the people they are training and managing This issue was brought up at a squadron commanders' conference in 1989 by the panel on pay and compensation. Their recommendation was to stop the pilot bonus because of its inequities and increase flight pay for all pilots instead This recommendation was based not only on feedback from their pilots but also represents the personal feelings of the commanders on the bonus issue. So although it is difficult to determine the entire impact from this type of pay inversion on the officer force, there certainly are some negative feelings among the officers not eligible for the bonus. The effects of this pay inversion possibly account for the higher separation rate among the field grade officers. It is even possible that more field grade officers have separated on account of this issue than

the bonus has actually kept in. So the idea that by keeping 10 pilots in the Air Force the bonus has been successful may not be true. Using pilot bonuses as a retention initiative is certainly a controversial and emotional issue with some definite drawbacks.

Another major impact of the ACIA on the Air Force involves managing the changes in the flying gates a pilot is required to achieve to remain eligible for flight pay. As was indicated earlier, the requirements were increased from 6 years of aviation service in the first 12 years to 9 years in the first 12 years. Senator Glenn was strongly in favor of this section of the AICA. He indicated that "this change is consistent with aviation career plans described in the Department of Defense aviator retention study, and the desire expressed by the overwhelming majority of aviators for a greater percentage of time in operational flying duties during an aviation career."[32]

What Senator Glenn states about pilots wanting to fly more is absolutely correct. One of the biggest irritants and reasons why pilots leave is that they have to spend time in non flying duties. However, increasing the gate requirements is not the answer. This change will not guarantee pilots any more time flying over a career but it certainly will create a hardship for the Air Force personnel managers and the pilots themselves. The new first gate severely limits the possibility of assigning rated officers outside of rated duties until the first gate is completed. This would only allow a "perfect" three year tour outside of flying so that flight pay would not be lost. The "perfect" three year tour would have to include all the incidental times that are associated with many PCS moves such as travel time, enroute temporary duty, and leave in conjunction with the PCS.[33]

Shortages in PCS dollars the past few years have required longer tour lengths and in some cases personnel have been extended involuntarily overseas to meet the PCS budget. The desired stateside assignment has been increased from 36 months to 48 months to generate fewer assignments and save money. Additionally, the Air Force has allowed manning to drop to 80 percent in some units because of a lack of funds to move someone new in. This "perfect" tour will not only require a pilot to be moved with only 36 months away from a flying job but if any of the incidental times mentioned earlier are used, then pilots could actually spend less than 36 months in the nonflying assignment. This is very inefficient in light of the reduced PCS funding.

Another management difficulty the new gates will create involves the type officer some specialized organizations will have to do a job. Training and recruiting organizations such as Reserve Officer Training Corps, Officer Training School, Air Force Institute of Technology and Squadron Officers School have in the past preferred young role model officers who were nearly the same age as their students. These organizations will now need to hire very senior captains and majors that have completed their first gate instead of the younger officers that were previously used.[36] The full impact of this action on these organizations probably won't be realized for several years until we see if there are any negative trends that develop from having more senior officers in these organizations. There also could be a retention impact by more senior officers not wanting to do a job traditionally done by junior officers. Additionally, it is doubtful that jobs traditionally done by a mid grade captain will allow much promotion opportunity for the incumbent major trying to make lieutenant colonel.

ACIA-One Year Later

It has now been over a year since the enactment of ACIA and the bonus has had a second year to impact retention rates. How well did ACIA accomplish its' intended purpose of improving pilot retention? The question was partially answered by General Hickey when he stated, "Pilot retention is still not doing well. We are about holding our own from where we were a year ago. That's discouraging because we have implemented an aviator career incentive pay increase... and we have continued the bonus program."[35]

The CCR for FY90 came in at 34 percent, which represents a decrease of 2 percent from the previous year. This same level has carried over to the first quarter of FY 91 leaving retention managers hopeful that the CCR might have bottomed out. However, the figures are probably higher than might be expected because of fall out from the build up and war with Iraq.

Rising oil prices at the outset of the crisis have impacted airline industry short term growth plans. This has led to hiring slowdowns, freezes and even some furloughs Overall, the airlines hired 4,779 pilots in CY90, about the same as the previous year.[36] However, without the Persian Gulf situation the airlines would have hired more and retention would have been even lower.

Another factor that makes the CCR inflated is the initiation of the stop-loss program which was necessitated by the Persian Gulf buildup and war. The initial version of the program prevented officers in 33 specialities and enlisted in 22

specialities that were scheduled to separate between October 2 and December 31, 1990, from leaving the service.[37] This made most of the Air Force's pilots ineligible for separation and retirement and consequently greatly reduced the number of pilots that left the service during the first quarter of FY 91. The stop-loss program has recently been extended indefinitely, an act that which will greatly inflate the CCR until pilots are allowed to again separate and retire.

ACP or bonus acceptance rates have been lower than expected and, although the FY89 program acceptance rate was 66 percent, the key year groups were on the low end of the scale. In this regard, the 7 and 8 year groups had a combined acceptance rate of only 45 percent. The FY 90 acceptance rates were significantly lower than the FY89 rates.[38] The number of new eligible pilots that accepted the bonus was 599 out of 1,697 for a rate of only 35 percent. This is virtually the same figure as the overall retention CCR which indicates that the bonus hasn't made any significant difference. The combined acceptance rate for the 7 and 8 year groups was a dismal 33 percent which is one percentage point lower than the overall CCR. The first quarter of FY91 shows that the trend is continuing to decline as the overall acceptance rate was only 30 percent with the 7 and 8 year groups at 28 percent.[39] Keep in mind that these figures could be impacted by the stop-loss program.

The General Accounting Office recently completed a draft report on aviator career management practices. This review was directed by Congress to comply with the requirement in the ACIA. The report indicated that the services do an acceptable job of managing aviators' careers and assignments, although there are still problems with family separation, reassignments and duties out of the cockpit.[40]

These same problems keep coming up and are the problems that must be addressed and corrected if pilot retention is ever going to be kept under control.

Recommendations

The ACIA has been a valid attempt by Congressional and military leaders to improve the retention of military pilots. However, it still does not address the real reasons pilots are getting out. Instead, it attempts to temporarily fix the problem by throwing money at it. At the same time, while attempting to meet pilot desires to fly more, ACIA created a severe management problem for the Air Force in how to manage the professional development of its pilots. If the pilot retention problem is ever going to be fixed, the real reasons pilots are leaving must be dealt with

To adequately cope with the low retention of its pilots, Air Force leaders need to rethink the idea that pilots must be officers first and pilots second. Maybe it's time to realize that a lot of pilots want to be pilots first and foremost. Not every pilot aspires to be the Chief of Staff, a general officer or even a wing commander. Many just want to fly for an entire career.

The provisions of the ACIA recognize this fact with the emphasis placed on the flight pay increase and bonus continuation. Both pay pilots because of their specialized flying skills only and not because of their skills as an officer. The increased gates requirement is an attempt to allow the pilot to spend more time being a pilot and less time gaining the breadth of experience usually desired to

enhance officer skills But both programs still fall well short of what many pilots really want--to be able to fly for an entire career while having a great deal more family stability

Both of these ideas could be accomplished by instituting the two track career management system for pilots. This would allow for a "fly only" career as well as the more traditional career pattern. This is an idea that has been discussed for many years but one the Air Force has never elected to implement. The current professional development pattern has pilots building a depth of flying skill until their first gate is completed, but then they are expected to develop a breadth of experience outside flying to include staff level positions, advanced civilian education, professional military education etc. The two track system would allow pilots to choose a professional development pattern that allows them to remain in flying duties for an entire career. There would be limits to how far a person in the pilot only track could be promoted since they would not receive the joint duty assignments required to be a general officer by the Goldwater-Nichols Bill and the broad service background usually considered desirable for senior Air Force leaders. The new chief of staff, General Merrill McPeak, has recently directed personnel officials to once again study the "fly only" option as well as other changes that might aid pilot retention.[11] Hopefully, this time it will go beyond simply studying the issue and be implemented.

The fly only career would also help alleviate the complaint pilots have expressed about a lack of family stability. This option would allow pilots to remain at the same location for longer periods of time since the moves for non-flying jobs and short PCS for military education programs would be eliminated. Although

overseas rotations would still require pilots to move, these requirements are being reduced as the force structure is drawn down.

A second recommendation is to stop paying the pilot bonus. This appears to be an ineffective, short-sighted approach to the retention problem. If there is one thing the Air Force should have learned from the retention problems of the late 70s and current years is that there is more to the problem than simply dollars. The bonus has created a pay inversion that is surely hurting morale and possibly driving more senior pilots out while not being very successful at keeping younger pilots in.

A third recommendation is to put some real money and effort into the national pilot study that ACIA recommended. One of the areas that needs to be examined in detail is the possibility of establishing a national training program for pilots. The cost to maintain this training program could be shared by the government and the airline industry. A second consideration might be to have the military continue to train pilots, but require the airlines to share part of the burden for training when they hire a military pilot. Or, they could be required to reimburse the government for the training costs they save whenever they hire a military pilot. The airline industry would certainly fight this plan and strong congressional support would be required to make it happen. But perhaps this is the area the Congress should emphasize rather than dictating flying gates and assignment policies to the military services.

Conclusion

There is no doubt that pilot retention is a major problem for the Air Force. There have been many efforts to reverse the exodus of pilots and one of the latest is the ACIA. This effort was instituted by and had the full support of the Congress. Although military leaders did not favor all the provisions of ACIA, they apparently wanted the increase in flight pay so bad that they were willing to accept the change in flying gates and the associated management problems that ACIA brought. This is an example of the short sighted approach that the Air Force has continually taken with the retention problem.

Flight pay increases and pilot bonuses have not fixed the problem. The bonus acceptance rates are well below expectations and retention continues to drop. While there will no doubt be a few pilots who will stay to take advantage of the bonus, most of these will already have a commitment and chances are they will not be the junior captain in the 7 or 8 year group. In any case, the numbers are not coming close to the rate needed to sustain the force and maintain combat readiness. Force structure reductions have allowed the Air Force to keep up with the pilot losses but that cannot continue indefinitely. The Persian Gulf crisis has stopped force structure losses and kept pilots in with the stop loss program. The effect of this crisis on the planned force structure drawdown and the positive or negative impact it will have on future retention is unknown at this time.

The recommendations previously discussed should be studied and developed as soon as possible. The national pilot study needs to be explored. The two career tracks allowing pilots to fly for a career meet a strong desire of many

pilots. This would also improve stability by reducing the need to PCS pilots to non-flying jobs, thus removing another irritant. The Air Force needs to admit that the pilot bonus is not working and should not continue it beyond FY91. The time for Air Force leaders to recognize and, more importantly to admit the real reasons pilots leave, is now

ENDNOTES

1. John Glenn, Opening Statement to the Senate Subcommittee on Manpower and Personnel of the Senate Committee on Armed Services, p. 16.

2. USAF Officer Retention Branch, Quarterly Officer Retention Report, p. 1.

3. Colonel Daniel F. Crum, Air Force Pilot Retention, A Look At 1996, p. 2.

4. Quarterly Officer Retention Report, p. 5.

5. John Ginovsky, "Slipping Pilot Retention More Senior Group Now is AF's Concern," Air Force Times, 31 July 1989, p. 3.

6. Quarterly Officer Retention Report, p. 6.

7. Colonel Robert H. Foglesong, "AF Mapping a Long-Term Strategy to Improve its Retention of Pilots," Air Force Times, 19 June 1989, p. 24.

8. USAF Officer Retention Branch, "Background Paper on USAF Officer Retention, 3 October 1990, p. 9.

9. Crum, p. 9.

10. Lt Gen Thomas Hickey, Statement to the Senate Subcommittee on Manpower and personnel of the Senate Committee on Armed Services, p. 35.

11. Rated Management Document, p. 14.

12. U.S. Laws, Statutes, etc. Public Law 101-189.

13. Ibid.

14. Ibid

15. Ibid.

16. Ibid.

17. Ibid.

18. Ibid.

19. Hickey, p. 76.

20. Rick Maze, "Bill Would Boost Flight Pay, Cut Paperwork," Air Force Times, 27 March 1989, p. 4.

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22. Hickey, p. 76.

23. Ibid., p. 36.

24. Ibid.

25. Ibid.

26. Ibid., p. 37.

27. Rated Management Document, p. j8.

28. Ibid., p. j13.

29. 1991 Pay Chart, Air Force Times, 7 January 1991, p. 28.

30. Rated Management Document, p. j10.

31. Glenn, p. 17.

32. Rated Management and Operations Distribution Branch, "Talking Paper on the Changes in Flying Gate Requirements as a Result of the Aviation Career Improvement Act (ACIA) of 1989," p. 1.

33. Ibid.

34. Joe West, "Retention of AF Pilots Seen as a Continuing Problem," Air Force Times, 7 January 1991, p. 11.

35. Ibid

36. Joe West, "Stop-loss Action Extended, 55 Specialties are Added," Air Force Times, 14 January 1991, p. 4.

37. Ibid

38. USAF Officer Retention Branch, "Talking Paper on USAF Officer Retention, p. 3.

39. Grant Willis, "GAO: Services Tending to the Needs of Aviators," Air Force Times, 18 September 1990, p. 18.

40. West, "Retention of AF Pilots Seen as a Continuing Problem," p. 11.

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