

# New airline pilot

Business



The extension of the retirement age to sixty-five from the current age of 60 for the airline pilots in the US can be said to have both positive and negative effects. In the airline industry safety is a paramount issue for both the government and the industry players (Agarwal, 1998). Thus, any policy issue to do with an increase in retirement age past the mandatory age is a risky decision. This is because research has shown that pilots approaching age 60 are more likely to suffer heart attacks, strokes as well as other physical and mental effects of ageing (Barr, 2003). Even though the medical condition and testing are improving today in the US, medical technology still cannot determine with certainty which pilots should fly and who should retire (Barrus, 1953). The age 60 rule in the flight airline association argument is a well established safety standard that has been authenticated by medical rule (Berwick, 2005).

**Positive Effects** This is seen as a way of extenuating scarcity of pilots in the airline industry. The older pilots are forced to retire through mandatory retirement age even though they are still capable of giving valuable service and more than willing to continue with the employment (Henkens, 2005). According to Orenstein (1961), abrupt removal of pilots creates a void of specialised skills by retiring employees. It also introduces complications in the retirement pension schemes and affects the morale of the retirees. This is seen as way of discrimination of pilots based on their age. The US is working hard to promote policy of equal opportunities for everyone.

**Negative Effects of the Increase in the Retirement Age to 65** Firstly, the elder pilots are the highly paid pilots in the airline industry, so keeping them will probably lead to increase in the fixed labour costs for the airlines. As a

result, the airline tickets price will rise to gather for increase. Secondly, it will affect the plight of pilots in the age brackets of 30-45. This will be in the form of negative spill over effects cause by airlines running into bankruptcy, losing their captain seats, suffer from pay cuts, and loss of pension benefits (Ashenfelter, 2002). To be precise, this will lock opportunities for the junior workers in the airline ranks. Older workers no longer have the ability to be efficient in the performance of their duties.

Any training, which will be accorded to this elderly lot of pilots, will be a loss in the end to the firms. There is also a great concern that the old pilots have less motivation to work hard as compared to the young generation of pilots. Significance of increase of the retirement age to 65 in the airline industry. This will facilitate economic growth, investments, world trade and tourism, as more pilots will be available for work. The industry is more likely to introduce seats that are more comfortable and develop the entertainment systems in their airlines.

Pilots argue that, the new law is likely to reflect the dawning new reality of the experience accrued to the old generation. Now the pilots will work for an extra of five years as long as they pass piloting and medical exams. Pilots, who have attained the age of sixty will, however, not reclaim their seats that are associated with better assignments and reasonable compensation. The new law also gives pilots who have lost income a chance to redeem it and continue normal life. The safety concern is untenable one since regular checks are made to guarantee the same.

Trends. A number of airlines are likely to form alliances and to consolidate their airlines in order to take advantage of this new initiative. This will have an impact on financial markets and the exchange rates. Market forces are likely to determine the price of the tickets (Barr, 2003). Forecasts.

It is estimated that international air travel will rise by 6%. In Europe and the North America, the market is expected to develop by a slower rate, approximated to be between 4%-6%. Opinions and Conclusion. This policy is likely to deny opportunities to the young and energetic pilots. Still the fact must be considered that ageing pilots are more vulnerable to health related issues than the young pilots. To the advocates of equal opportunities for all this will be a reprieve to them.

This is because the old pilot fraternity will be given a chance of working for their retirement benefits as well as pension. I recommend that private parties should accept the mandatory age requirement rule to enhance labour force participation, especially from the young. The government should also recognise the importance of amending other related laws in the industry to enhance flexibility even to new employees who have a passion to join it.