

# Phillip Ashley-Smith Founder and CEO PAS Aviation Group Founded 1998 GEC Global Employer Company Founded 2015 Helicopter and Fixed Wing Pilot Licensed Flight Operations Officer

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- ► Supply and Demand
- ► Pay to Fly (P2F)
- ► Loyalty / Bonds
- ▶ Unions

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- ▶ Atypical Contract
- ► Cross Border Employment
- ► Taxation / Social Insurance
- Crew Leasing / White Label and ACMI

# RECRUITMENT • No change in methods. • Advertise Collate Applications Remove wannabees Screen Interview Sim Select Short List Offer Contract or Employ

#### SUPPLY AND DEMAND

► Supply and demand

Lots of Pilots, few available Jobs

Lots of Jobs, few available pilots

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#### PAY TO FLY (P2F)

► Candidate 1 150 hours Cessna 150

► Candidate 2 150 Hours Cessna 150

Type Rating 737

► Candidate 3 150 Hours Cessna 150

Type rating 737

150 Hours experience on 737

► Which candidate would you choose?

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### BONDS – PILOTS LOYALTY TO AN AIRLINE

- ▶ The days of pilot loyalty to an airline are gone
- ► Airline Blue pays for the Type Rating and Bonds the pilot to repay over x months. Salary 100 units
- Airline Red offers 120 units salary, pilot leaves Airline Blue for higher pay.
   Bond unenforceable by EU law and pilot walks away.
- ▶ Airline Blue is out of pocket for the TR.
- ▶ Airline Red has a Type Rated pilot with no TR costs

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#### **REVERSE BOND**

- Pilot X pays Airline Blue for the Type Rating in full.
- ► Airline Blue employs X.
- ► Airline Blue repays X over the course of a number of years until Bond repaid.
- ▶ No cost risk to airline, Type Rating paid for by pilot X
- ▶ If pilot leaves Airline Blue, pilot sacrifices bond balance
- ▶ Pilot funded Type Rating

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#### ALTERNATIVE BOND

- Pilot takes loan from bank to pay for TR
- ► Airline pays back loan whilst employed until loan repaid
- Pilot leaves early / bank recovers money airline no further expense
- ► Airline good at flying, banks good at recovering debts
- ▶ Note this method only works if all parties are in the same country, due to recent changes in banking legislation

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#### **UNIONS**

- ► Protectionism
- ► Anti change due to fear and /or ignorance
- ► Power struggle
- ► Flexible workers
- ► Social Dumping
- ► New Working Practices
- ► Employees rights versus Airline Economies
- ► Employed for different regions
- ► The "Safety Card", mixed workplace cultures

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#### ATYPICAL CONTRACTS

- ► Seasonal Contracts
- ► Self employed Contracts
- ► Hourly, Daily or Weekly Contracts
- ► Crews engaged in offshore countries
- ► Crew Leasing Contracts
- ► Flexible workers
- ► Various Bases
- ► New Working Practices

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#### ALTERNATIVE EMPLOYMENT MODELS

Workforces in various countries

► Challenge

Different Unions, Tax and Social Insurance and work ethics

Car Manufacturing

Audi, built in Poland sold in Germany
SEAT, built in Spain sold in Sweden
Skoda, built in Czech Republic sold in UK
Nissan parts produced in Japan assembled in UK

Ford produces in Spain, Germany and UI

Subcontract Labour

IKEA - Branches Worldwide

Shop staff employed by IKEA

Cleaning staff employed by local contractor

Restaurant staff employed by local contractor

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## PASS THE PROBLEM ONTO A THIRD PARTY

- ► Crew leasing
- ▶ White label or ACMI operations

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