

Etihad pilots offered two-year secondment to Emirates



Etihad Airways, Abu Dhabi's state airline, has offered its pilots a two-year secondment to Emirates, as the airlines pivot towards stronger collaboration, cut costs, streamline operations and address reports of pilot shortages in the industry.

"Such programmes enable airlines to effectively manage their pilot resources," an Etihad spokesman said in an emailed statement to *The National* on Sunday.

"We are working with Etihad on a secondment programme for some of their pilots," said a spokeswoman for Emirates. "This is a common practice in our industry which gives airlines more flexibility in managing their pilot resources."

An internal letter dated June 21 circulating on the internet, which Etihad confirmed to *The National* as authentic, showed the airline had invited staff to submit non-binding expressions of interest for the secondment opportunity, ahead

of a roadshow with Emirates' recruitment team to be held at Etihad's Abu Dhabi headquarters.

The proposed secondment would see selected Etihad pilots transferred to Emirates for two years, during which time they would be placed on a leave of absence from the Abu Dhabi airline, receive their salary and benefits as per an Emirates package, and retain their Etihad job ranking until their return.

Etihad employs about 2,220 pilots and a relatively small proportion of the total are expected to take up the opportunity. Emirates employs 4,157 pilots as of its 2017-2018 financial year. The changes come as Etihad continues a company-wide review that successfully narrowed losses by 22 per cent to \$1.52 billion (Dh5.58bn) in 2017.

Last year, the airline withdrew its investments in troubled Air Berlin and Alitalia as well as halved the number of its equity holdings, and appointed a new chief executive. The airline has also scrapped unprofitable routes and slashed other costs.

Emirates and Etihad have said they are open to greater collaboration to improve efficiencies, for example in the fields of catering, ground handling and supply chain logistics.

"It's fair to say that, as two partners from the UAE, we will continue to consider, where appropriate, what are the things that we can do together," Etihad's new group chief executive Tony Douglas told the Global Aerospace Summit in Abu Dhabi in April.

Pilot secondments "are something Etihad has done for several years with partner airlines around the world", said the Etihad spokesman on Sunday.

The airline began a pilot secondment programme in 2013 as part

of international expansion plans, and in 2015 offered participants the option of transferring to permanent contracts. The programme was run with partners which at the time included Air Berlin, Alitalia, Darwin Airline, Jet Airways and others.

However, this is the first time Etihad has worked with Emirates in this way, and follows reports that the Dubai airline is looking to plug a shortfall of at least 150 pilots.

Emirates has played down such reports, with its president, Tim Clark, saying in May the airline is "a tad short of pilots but should be alright in September or October".

Analysts said secondments are a clever way for airlines to reduce costs without losing staff in the long term, as they can recall staff when finances improve.

"In offering opportunities at Emirates, not only does Etihad temporarily offload some of its costs and pilots, but Emirates gains extra fully qualified flight deck staff a lot quicker than planned," said Saj Ahmad, chief analyst at Strategic Aero Research.

Siddhartha Sharma, president and chief executive of analyst company Interglobe Air Transport, said the two airlines' standard operating procedures are different: "It's like the same cars operated by different humans under different umbrellas." He said pilots would have to evaluate the potential benefits of a move.