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The trouble with Pittsburgh International Airport

By Colin McNickle

Despite repeated efforts to generate higher passenger counts at Pittsburgh International Airport (PIT) through subsidies to both domestic and international flights, the airport has lagged well behind the average passenger increases at the nation's top 50 airports, concludes an analysis by the Allegheny Institute for Public Policy.

“Between 2009 and 2019 (the year before the Covid-19 pandemic ... cratered air travel) passenger totals at the top 50 airports rose 36 percent,” says Jake Haulk, president-emeritus of the Pittsburgh think tank (in *Policy Brief Vol. 21, No. 18*). “PIT passengers climbed only 19.1 percent, resulting in PIT dipping from its 45th rank to 46th.”

Even worse, PIT's passenger count rose only one percent from 2018 to 2019 while the top 50 average climbed 3.6 percent.

“PIT's halting and lackluster performance stands in marked contrast to many airports around the country,” notes Haulk, a Ph.D. economist. “Four, in particular, stand out over the 2009-to-2019 period.”

Austin, with 111.3 percent growth in passengers, climbed from 44th to 32nd largest. Love Field in Dallas had a gain of 119.9 percent; its ranking rose from 50th to 33rd. Nashville had a 10-year increase of 103.8 percent and climbed from 39th to 31st largest.

Raleigh-Durham had a smaller but still impressive 56.9 percent gain over the period and posted an equally impressive 10.6 percent rise from 2018 to 2019. That boosted its ranking two spots, from 39th to 37th. Nashville and Austin also had double-digit jumps in traffic from 2018 to 2019.

“The strong gains at Austin, Nashville, Love Field and Raleigh-Durham reflect strong underlying economic growth and population gains,” Haulk says. “Airports in areas with strong economic growth are attracting new flights from carriers looking to grow their business.”

PIT's efforts to increase passenger counts substantially by subsidizing travel were a huge mistake, as its experiences with OneJet, WOW, CONDOR, British Airways and Delta show.

"Even with the \$3 million offered to British Airways, the carrier has decided to drop the PIT-Heathrow flights," he adds. "Have the subsidy payments stopped? Will there be any recouped money?"

Airport management has been silent, other than to predict that BA will return in 2022. British Airways has not commented.

PIT *has* shown some encouraging post-coronavirus pandemic passenger numbers from the beating they took beginning in March 2020. And cargo volume showed what Haulk terms "fairly remarkable" resilience despite the severity of the overall pandemic downturn.

But the bottom line remains that unless the Allegheny County Airport Authority can recruit a major hub carrier as it had with US Airways 20 years ago, passenger counts at PIT – now embarking on a \$1.4 billion "terminal modernization program" -- will depend primarily on the growth in population and employment in the Greater Pittsburgh area.

But *that* has been anemic for many years.

"Attempting to grow the region's economy by subsidizing flights is never going to work," Haulk stresses. "The region and the state need a much more business-friendly environment. And not an environment that depends on subsidizing companies such as Volkswagen, Sony and Aquion. Or professional sports teams."

Despite Airport Authority CEO Christina Cassotis' contention that "our airports are leaning into innovation ... to become true levers of economic growth," Haulk argues that PIT "is not the engine that will pull the region's economy."

"It is part of the infrastructure that permits and facilitates growth," he reminds. "Unless a huge hub operation comes to the airport and creates large boosts in employment and income and sales opportunities for local vendors, the best thing PIT can do is to run the most efficient-, lowest- and competitive-cost operations possible."

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