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Passengers and operations data at PIT

Summary: While passengers have been returning to air travel, their numbers are still well below the pre-pandemic level. This is true across the nation as it is at Pittsburgh International Airport (PIT). However, PIT has not fared nearly as well as several other airports in large part due the region's less than favorable economic climate. Subsidizing airlines has been a failed strategy that should not continue.

Passengers

Pittsburgh International Airport (PIT) data through March 2021 are available on the Allegheny County Airport Authority (ACAA) website. The numbers point to a meaningful pickup in passenger count (enplaned and deplaned) in March from the December, January and February totals. At 358,622, the March domestic passenger total was the highest since the pandemic struck and stood at 56.2 percent lower than the pre-pandemic March 2019 level. For the previous 11 pandemic months domestic passenger counts ranged from 96 percent below the year-earlier level last April to 64.1 percent in October and were still at 65 percent below in February of this year. Thus, the March figure seems to point to the beginning of a significant pickup in air travel.

Note however that international travel has been essentially zero since last April. There were only 474 passengers in March 2021. In March 2019, the count was 17,920, still a relatively small share of total passengers; the domestic count in March 2019 was 819,641. As of now, there are no non-stop flights from PIT to Europe. WOW, CONDOR and British Airways have left the market. There are seasonal flights scheduled to the Caribbean and Mexico.

Operations and cargo

Meanwhile, on a more positive note, aircraft operations at PIT have fared much better than passenger counts. In May 2020, operations fell 64 percent below the May 2019 reading. They rebounded markedly and by July were only 40 percent behind the year-earlier number. The monthly totals remained in the 40 to 44 percent range below the 12-month-ago readings. There was a downward blip in February to 49 percent before rebounding to just 36 percent lower in March compared to March 2019. The implication of the much greater rise in operations than passengers is that the percentage of empty seats remained very high during the last year.

It is important to note that cargo volume handled at PIT remained near pre-pandemic levels most months in 2020 with a couple down 7 to 9 percent from the 12-month earlier figure with August the worst at 14 percent. The rest ranged from plus 4 to minus 6 percent compared to a year earlier. For 2020 as a whole cargo was down only 4.8 percent. That's fairly remarkable in light of the severity of the economic downturn.

In March 2021, cargo volume rose 15.6 percent above March 2019 and 27 percent above March 2020 clearly pointing to stronger activity.

PIT and U.S. air travel compared

How do the passenger data for PIT compare to the national numbers? Nationally, there are two gauges of airline passengers. One, the Federal Aviation Administration reports data for its measure of passenger counts. That data show a difference in a national travel rebound compared to PIT since June 2020. However, during the March through June 2020 period, the drop in domestic passengers, in terms of percentage decline from 12 months earlier, for both PIT and the U.S., tracked closely together, ranging from 52 percent in March to a high of 96 percent in April and falling to 78 percent in June.

After June, the U.S. counts started to improve more rapidly than PIT. In September, the PIT count was down 68.6 percent from September 2019 while the U.S. number was down 62.7 percent. And in January the U.S. count was lower by 60.5 percent from the 12-month-ago level and PIT was down 66.8 percent. It is important to bear in mind that for the national total percentage number to be 60.5, there are some airports with even better numbers.

The Transportation Security Administration (TSA) also maintains a national daily "throughput" count of all people processed at checkpoints, which is a reasonable approximation of the numbers of passengers headed to the gates. The good news is that since January there has been a significant upturn in the number of people going through checkpoints across the country as measured by the percentage of travelers compared to the count for the same year-ago month prior to the pandemic.

In February the throughput was down 56 percent from a year before, March was lower than March 2019 by 48.1 percent (PIT was down 56 percent in March) and April's TSA count was just 38.2 percent below April 2019. All this points to significant gains in passenger count nationally and suggests fairly strongly that the PIT passenger count for April, which should be available soon, will be much improved as well.

Bear in mind that the TSA data include both domestic and international passengers and, thus, the national count might improve faster than PIT because of the absence of any flights to or from Europe at PIT.

Developments affecting current and future activity at PIT

Despite efforts to generate passenger counts at PIT through subsidies to both domestic and international flights, the airport has lagged well behind the average passenger increase in the top 50 airports. Between 2009 and 2019 (the year before the Covid-19 pandemic which cratered air travel) passenger totals at the top 50 airports rose 36 percent. PIT passengers climbed only 19.1 percent resulting in PIT dipping from its 45th rank to 46th.

What's worse, PIT passengers rose only one percent from 2018 to 2019 while the top 50 average climbed 3.6 percent. Across the state, the Philadelphia International Airport also performed poorly over the 10 years with passengers rising only 6.7 percent from 2009 to 2019, causing its ranking to drop from 18th to 20th.

PIT's halting and lackluster performance stands in marked contrast to many airports around the country. 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 and 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 but posted an 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.

On the other end of the scale, airports in Cleveland and Cincinnati fell sharply in the rankings between 2009 and 2019; Cleveland from 35th to 45th and Cincinnati from 32nd and to 49th.

The strong gains at Austin, Nashville, Love Field and Raleigh-Durham reflect strong underlying economic growth and population gains. Relatively slow employment and population growth in Ohio's and Pennsylvania's metro regions are reflected in their airports' performances. Airports in areas with strong economic growth are attracting new flights from carriers looking to grow their business.

PIT's mistake

PIT's efforts to increase passenger counts substantially by subsidizing travel were a huge mistake as events have borne out. OneJet, WOW, CONDOR, British Airways and Delta show that to be the case. Even with the $3 million offered to British Airways the carrier has decided to drop the PIT-Heathrow flights. Have the subsidy payments stopped? Will there be any recouped money? The airport management is silent on the arrangements, other than to predict that BA will return in 2022. British Airways has not commented.

The bottom line is that unless the Allegheny County Airport Authority can recruit a major hub carrier as it had with USAirways 20 years ago, passenger counts at PIT will depend primarily on the growth in population and employment. Attempting to grow the region's economy by subsidizing flights is never going to work. 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.

Conclusion

High taxes, poor labor climate, environmental overreach and a generally unfavorable tax and regulatory climate for business—including legally questionable Covid-19 mandates—all point to a state and region that are not business friendly, especially in comparison to fast growing states.

The airport is not the engine that will pull the region's economy. It is part of the infrastructure that permits and facilitates growth. 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. Offering subsidies to airlines is wasteful and becomes a habit that it is hard to break because carriers come to expect them.

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