



May 25, 2022

Allegheny Institute Op-Ed

690 words

Hurdles abound for PIT passenger growth

Myriad challenges must be overcome if there is to be anything approaching significant passenger traffic growth at Pittsburgh International Airport (PIT), concludes an analysis by the Allegheny Institute for Public Policy.

And it's all because some prior endemic issues are colliding with newer ones in very turbulent times, says Jake Haulk, president-emeritus of the Pittsburgh think tank.

"In short, it looks like a bumpy ride over the next several months," says the Ph.D. economist (in *Policy Brief Vol. 22, No. 20*).

PIT released March data for airport operations in early May. Indeed, total passengers, domestic and international, rose to 674,115 during the month, up almost 88 percent from the COVID-19 depressed reading in March 2021.

But the March 2022 passenger total remained 19.5 percent below the pre-pandemic level of March 2019.

Through March, TSA checkpoint data—a daily count of passengers entering the gate area of the nation's airports—showed a 12.4 percent decline from the March 2019 level. By comparison PIT's March count was down 19.5 percent from March 2019.

"PIT's weaker than national passenger count recovery from 2019 in March continues the pattern that began in December 2021," Haulk notes.

During most of the second half of 2021, the TSA's national monthly percentage shortfall from the same 2019 months and PIT's percent lack of recovery in 2021 over 2019 were very close.

"But, in December 2021, the national TSA count compared to 2019 held close to November's 16 percent while PIT saw the gap with the December 2019 reading rise to 22.2 percent, a jump from November's 16.2 percent," Haulk says.

"The monthly pattern since December shows PIT lagging well behind the national data in terms of recovery toward the pre-pandemic passenger levels of 2019."

Haulk cites three factors that likely have played a substantial role in the relatively slow recovery of travel at PIT compared to the national upturn.

“One, much of the strong growth in the years just prior to, and through part of, 2019 was artificially boosted by an array of airline subsidies to carriers such as Condor, WOW, Delta, OneJet, and Alaska Airlines.

“Two, population growth in the Pittsburgh region has been essentially stalled and is 2.6 percent below the 2000 count,” Haulk says. “Thus, the number of potential local fliers can grow only if a higher percentage of the population can be induced to use air travel.”

While that can be done to some extent through subsidizing ticket costs or possibly having more desirable destination offerings, travel also can be enhanced by more arrivals of non-residents.

“But that depends on having reasons to visit, something the airport can do little to change,” the think tank scholar stresses.

The third factor is employment growth. And in that regard, the Pittsburgh region is not in good shape at all.

“From 2000 to 2019, private employment rose only 5.8 percent. And in March 2022 the job total was 8,300 lower than in March 2001 and still 5.1 percent under the three-year earlier employment number,” Haulk says.

But without a major hub carrier, the passenger count at PIT will depend heavily on the local population, employment and income. Passengers arriving at PIT will depend substantially on friends and relatives coming to the region for personal visits, tourists and those on business trips.

“No doubt COVID has had a massive effect on tourism and business travel,” Haulk says. “Moreover, lack of significant population growth and paltry employment gains do not bode well for future air travel gains.”

And look for even more challenges over pilot shortages resulting in flight cancellations and discontinued flights that do not bode well for significant air travel gains.

“But likely more important is the sharp rise in fuel costs that will lead to higher ticket prices,” Haulk cautions. “The prospect of higher interest rates over the coming months as the Federal Reserve acts to slow inflation almost certainly points to a weaker economy and less air travel.”

Colin McNickle is communications and marketing director at the Allegheny Institute for Public Policy (cmcnickle@alleghenyinstitute.org).

Op-Eds may be reprinted as long as proper attribution is given.

Allegheny Institute for Public Policy
305 Mt. Lebanon Blvd.* Suite 208* Pittsburgh PA 15234
Phone (412) 440-0079
E-mail: aipp@alleghenyinstitute.org
Website: www.alleghenyinstitute.org
Twitter: [AlleghenyInsti1](https://twitter.com/AlleghenyInsti1)