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How to grow PIT's BA flights? First grow the economy

A contingent of Pittsburgh International Airport (PIT) officials, along with local business and community leaders, is in London this week hoping to convince British Airways (BA) to expand its four-day-a-week service to seven days.

But as a fresh analysis of pertinent data by the Allegheny Institute for Public Policy concludes, such an expansion could be a heavy lift and raises the troubling question of whether more public subsidies might be in the offing.

“The hard reality is that Pittsburgh International is currently struggling with seriously reduced passenger counts (domestic and international) compared to the pre-pandemic levels while it builds an expensive [\$1.4 billion] new terminal,” reminds Jake Haulk, president-emeritus of the Pittsburgh think tank.

“(T)he Pittsburgh area is not demonstrating economic vitality in terms of job gains and is experiencing population stagnation,” hardly metrics that would entice an airline to expand service anywhere, says the Ph.D. economist (in *Policy Brief Vol. 22, No. 36*).

As Allegheny County Airport Authority CEO Christina Cassotis put it to the media last week, the purposed of this week’s junket, including a Wednesday roundtable discussion, is to convince BA officials that the region can support additional international service and destinations beyond London because of a supposedly great business and leisure market.

But, despite all the cheerleading claims, the data clearly show otherwise.

“The Pittsburgh region’s economy and population fall far short of being dynamic or exhibiting strong economic gains,” Haulk reminds. “Moreover, passenger counts—both domestic and international—at PIT lag well behind pre-pandemic levels.”

Other comparable metros – think Nashville – are doing phenomenally well. And the nation, as a whole, also tops Greater Pittsburgh’s post-pandemic performance.

Lest we forget, British Airways' return to PIT after a 10-year hiatus was greased with taxpayer dollars -- \$3 million over two years. The first half was paid before the pandemic hit and service was halted for 27 months; the second half is scheduled to be paid this year. BA's PIT flights resumed this past June.

And while Cassotis says business and leisure travel on the BA flights is robust, no airline-specific passenger numbers have been made public. Do remember, however, that an economic impact study presented to bolster the flights' return (and presumably in defense of the taxpayer subsidy) was overly optimistic and contained basic failures of logic.

Non-hub airports such as PIT are not principal economic drivers. They are part of the infrastructure that facilitates the service area's travel and cargo needs and, in doing so, helps the economy.

"These airports must operate efficiently and at the lowest cost possible while ensuring adequate capacity," Haulk stresses. "By being cost-efficient, existing carriers can be induced to offer more flights and new carriers attracted to add service.

"Offering subsidies to some carriers is market-distorting and creates unfairness for the unsubsidized.

"More subsidized international flights are not the answer to the Pittsburgh region's economic woes," the think tank scholar reiterates. "Strong growth in the economy in terms of jobs, income and population would create market-driven demand for international flights.

Thus, "The focus of political leaders needs to be on policies that are inhibiting growth," Haulk concludes.

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