

The Hong Kong Polytechnic University
Department of Logistics and Maritime Studies
Research Seminar

Airport Delays and Metropolitan Employment

by

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(joint with Paulos Lakew)

Date: 24 January 2017 (Tuesday)

Time: 10:30am – 11:30am

Venue: R502, Shirley Chan Building
The Hong Kong Polytechnic University

(Conducted in English)

Abstract:

This study provides the first empirical assessment of the impact airline delays have on urban employment. While previous works have suggested that road congestion can slow down regional development, the influence of air traffic delays on metro-level jobs has not been examined comprehensively. The present study uses a 9-year panel of quarterly data, which covers passenger airline traffic and delays at airports across urban areas in the United States. The panel also includes data on total and industry-specific employment at the metropolitan-area level. Our empirical estimates of the impact of air traffic on total employment are comparable to previously reported measures in the literature. However, we find that service-sector employment is less sensitive to air traffic than other studies suggested. We provide new evidence confirming that delays have a negative effect on employment, a finding that is robust to various specifications of our empirical model. Our results indicate that a 10 percent increase in the number of delayed flights leads to up to a 0.15 percent decrease in total and service-sector employment, a 0.47 percent decline in leisure and hospitality employment, and a 0.7 percent reduction in the employment level of goods-producing jobs.

Bio:

Dr Volodymyr Bilotkach is a Senior Lecturer in Economics at Newcastle University Business School, Associate Editor at the Journal of Air Transport Management, and an External Instructor for IATA Training and Development Institute. He obtained his PhD from the University of Arizona, and prior to moving to England was Assistant Professor of Economics at the University of California, Irvine. He also previously held visiting positions at Korea University, ZEW in Mannheim, University of Surrey, and Hiroshima University; and occasionally teaches at Sorbonne University's International M.Sc. Program in Transportation.

Volodymyr's research spans various issues in economics of the aviation sector. He published over 30 papers in refereed journals on topics ranging from airline alliances and mergers to network development, airport regulation, ATC efficiency, and wider economic benefits of aviation. He has been involved in policy consulting projects in Europe, the United States, and South Korea. His book, titled Economics of Airlines and aimed at general audience, is due to be published later in 2017.

Please email to irene.lam@polyu.edu.hk for enquiries.

All are welcome!