

Business Travel, Shipping Would Also Suffer from Sequestration of Federal Funds

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The U.S. Department of Transportation said [federal sequestration](#) of \$85 billion set to take effect March 1 will also negatively impact business and personal travel in addition to education, student transportation and myriad other government services during the 2013-2014 school year.

Just as the industry begins to head into its annual conference travel season, U.S. Transportation Secretary Ray LaHood said the Federal Aviation Administration budget will be trimmed to the tune of \$600 million even as general and special education and Head Start are among other federal government programs facing the axe. With final details still to be worked out with unions, LaHood and FAA Administrator Michael Huerta wrote to the airline industry today saying that 47,000 employees will likely be furloughed for approximately one day per pay period, and that more than 100 air traffic control facilities will be closed. Additionally, FAA will eliminate the overnight shift at more than 60 facilities and will reduce preventive maintenance and support for all air traffic control equipment.

"In addition to the income those men and women will lose, the costs of sequestration will be felt far and wide in the form of delayed travel for air passengers, and disruptions to air cargo shipping," LaHood added [today in his blog](#) .

As airlines are forced to cancel more flights due to fewer employees such as air controllers on staff, LaHood said flights to major cities such as New York, Chicago and San Francisco could experience delays of up to 90 minutes during peak hours. While adding that "safety is our top priority," as only the amount of air traffic that can be handled by those still on the job will be allowed to take off and land, LaHood said flight delays "will ripple across the country."

"These closures are a serious matter," LaHood concluded. "They will impact services for commercial, general aviation, and military aircraft. They will delay travelers and delay the critical goods and services that communities around the country need. They are harmful cuts with real world consequences that will cost jobs and hurt our economy."

The sequestration of funds set to begin is part of an overall effort to reduce the federal deficit by \$1.3 trillion over the next 10 years.