

PENNSYLVANIA Airports Economic Impact



The Pennsylvania Airport System

Pennsylvania's aviation industry continues to provide high quality jobs and spur important local spending by on-airport businesses and agencies. The commonwealth's system of 15 commercial service and 117 general aviation airports connects Pennsylvania businesses and residents to the national and global economy. This system is comprised of a network of airports, airlines, air cargo businesses, corporate flight departments, pri-

vate aircraft owners, and recreational airplane pilots. Manufacturers in the state rely on airports to access markets and to receive supplies. Businesses rely on airports to conduct face-to-face meetings with customers and business associates within the United States and abroad. Leisure travelers use airports to reach recreational and tourist sites and to visit with family and friends.

Pennsylvania's Total Annual Economic Impacts from Aviation

When all of the impacts of Pennsylvania's system airports are added together, nearly 304,500 total jobs can be traced to the aviation industry. These employees receive more than \$9.2 billion in total payroll, and generate nearly \$23.6 billion in total economic activity. In addition, Pennsylvania's airports provide a number of health, welfare, and safety benefits, the impacts of which are immeasurable. Such services include aerial agricultural spraying, medical transport and evacuation, flight training, law enforcement, wildlife management, military exercises, and search and rescue operations.

Impact Measures

Employment measures the number of full-time equivalent (FTE) jobs related to airport activity, including on-airport

construction. A part-time employee is counted as half a full-time employee.

Payroll measures the total annual wages and benefits paid to all workers whose salaries are directly attributable to airport activity.

Economic Activity (Output) measures the value of goods and services related to airports in Pennsylvania. The output of on-airport businesses is typically assumed to be the sum of annual gross sales and average annual capital expenditures.

Total Jobs – 304,464

Total Payroll – \$9.2 billion

Total Output – \$23.6 billion

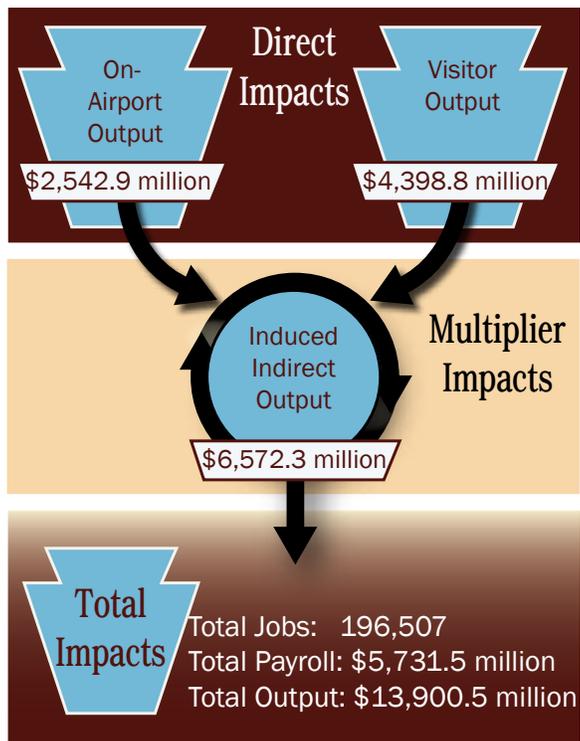
Study Process

This study, sponsored by the Pennsylvania Department of Transportation, Bureau of Aviation, analyzes the economic impact of Pennsylvania's aviation industry as a whole, as well as the impacts of its individual airports. The study confirms that many people—beyond the immediate environs of each airport—derive significant economic benefits from the daily operation of the airport system. The study also evaluates some of the less-quantifiable impacts linked with aviation, such as health, safety, recreation, education, and overall community strength.

A detailed modeling effort was undertaken to quantify the economic impacts of on-airport activities (airlines, fixed base operators, flight schools, corporate flight departments, government, and various other business). Also quantified were the impacts derived from the expenditures of visitors who arrive via scheduled service and general aviation aircraft. These on-airport impacts and visitor expenditures support additional economic activity throughout Pennsylvania.

As initial waves of activities associated with the airport system are released into Pennsylvania's economy, successive waves of employment, payroll, and economic benefit occur. These additional benefits are measured using sector-specific employment, payroll, and economic impact multipliers.

Economic Impact of Philadelphia International Airport



Source: Wilbur Smith Associates

Impact Types

Direct Impacts include both direct impacts related to on-airport businesses and government agencies, and off-airport impacts, which are usually attributable to visitor spending.

Multiplier Impacts are comprised of indirect and induced impacts. These impacts are attributed to employees spending their earnings at local businesses, and the on-airport businesses purchasing goods and services locally. This re-circulation is commonly referred to as the “multiplier effect.”

Total Impacts are the combination of all direct, indirect, and induced impacts.



Qualitative Benefits

Philadelphia International Airport is located southwest of downtown Philadelphia on the Delaware River. The airport is accessible via Interstate 95.

Philadelphia International Airport is classified as a Commercial Service airport by the Pennsylvania Bureau of Aviation. The airport has approximately 26 based aircraft and experiences more than 460,000 annual operations. There are four runways. Runway 09R/27L is 10,506 feet long by 200 feet wide, Runway 09L/27R is 9,500 feet long by 150 feet wide, Runway 17/35 is 6,501 feet long by 150 feet wide, and Runway 08/26 is 5,000 feet long by 150 feet wide. All runways are equipped with high intensity runway lighting (HIRL). Operations at the airport are supported by a total of 12 precision instrument approaches.

Philadelphia International Airport is a major commercial airline hub and one of the busiest airports in the world—ranked 12th in operations in 2010—and one of the largest international hubs in the U.S. The airport is currently served by 19 airlines, based both in the U.S. and internationally, which enplane more than 11 million passengers annually. It is the second-largest hub for US Airways and the airline’s primary international hub. Low cost carrier service at the airport is provided by Southwest Airlines. In addition, more than 440,000 tons of air cargo each year is transported at the airport. UPS operates a regional hub at the airport.

The airport also operates extensive general aviation activity—more than 21,000 operations in 2010. This activity is supported by the airport’s fixed base operator, Atlantic Aviation, which offers a full spectrum of general aviation services. The majority of the airport’s general aviation operations can be attributed to corporate and business flight activity. Businesses in the Philadelphia metropolitan region utilize the airport for corporate flights, in addition to shipping products and customers to their offices in the region. Fortune 500 companies headquartered in Philadelphia include Comcast, Sunoco, Cigna, Aramark, and Crown Holdings. The airport’s location also gives corporate executives prime access to meetings and conferences in the region.

The airport serves the needs a major metropolitan region. It is used extensively for traffic and news reporting, emergency medical operations, police and law enforcement flights, and other operations, such as supporting first responders to emergencies in a congested area. Located near Philadelphia’s sporting complex, the airport also serves the city’s professional sports teams, visiting teams, and fans. In addition, the Southeastern Pennsylvania Transportation Authority (SEPTA) serves the airport with local bus service and with the Airport Line from Center City.