

Airports provide a unique service to their local communities and surrounding regions, serving as an integral link to a larger transportation system to move people and goods all around the world. In addition to providing a means of travel, airports also facilitate necessary and sometimes critical services such as air cargo and freight, police and law enforcement, emergency medical services, firefighting, and disaster and emergency response, among others. Airports serve as catalysts for activity and contribute significant economic and social benefits to their local, regional, and state economies. Airports generate economic impact in a variety of ways, from employing people on-airport, to welcoming visitors from out-of-state who go on to spend money in the Commonwealth. The PennDOT Bureau of Aviation conducts regular updates to their statewide aviation economic impact study – this update includes findings for both 2019 (representing a regular year of operations) and 2020 (representing a year of disruption due to COVID-19).

Overview of Economic Impact

To comprehensively assess the economic impact of Pennsylvania’s airport system, both direct and multiplier impacts must be calculated. The graphic below illustrates the relationship between direct, multiplier, and total impacts. Impacts are presented across three categories: employment, payroll, and output.

Direct Impacts:

Initial effects that occur on- and off-airport, including airport operations, construction, airport tenants, spending from visitors, and companies using air transportation services to ship goods to market.

+ Multiplier Impacts:

Indirect: Portions of direct revenues used to purchase goods and services from Pennsylvania businesses.

Induced: Income earned by workers from direct and supplier sales transactions that are then spent in Pennsylvania.

= TOTAL IMPACTS:

The sum of direct impacts and multiplier impacts.

Economic Impact Categories



Employment:

The total number of persons employed that are associated with business revenues and payroll, regardless of whether they are full-time or part-time.



Payroll:

Total employment compensation including wages and other benefits (e.g., health care insurance payments, retirement contributions, etc.).



Output:

Includes expenditures needed to administer airports, sales of goods and services by airport tenants, budget expenditures by public sector agencies located on-airport, cost of capital expenditures, visitor spending in Pennsylvania’s hospitality-related sectors, and sales enabled by air cargo services. Output is also referred to as “business revenues” or sales.

Annual Statewide Impacts



| Year | Total Employment (JOBS) | Total Payroll | Total Output |
|------|-------------------------|------------------|------------------|
| 2019 | 226,160 | \$12,492,327,200 | \$34,133,905,400 |
| 2020 | 104,190 | \$6,913,943,100 | \$15,766,924,700 |