

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

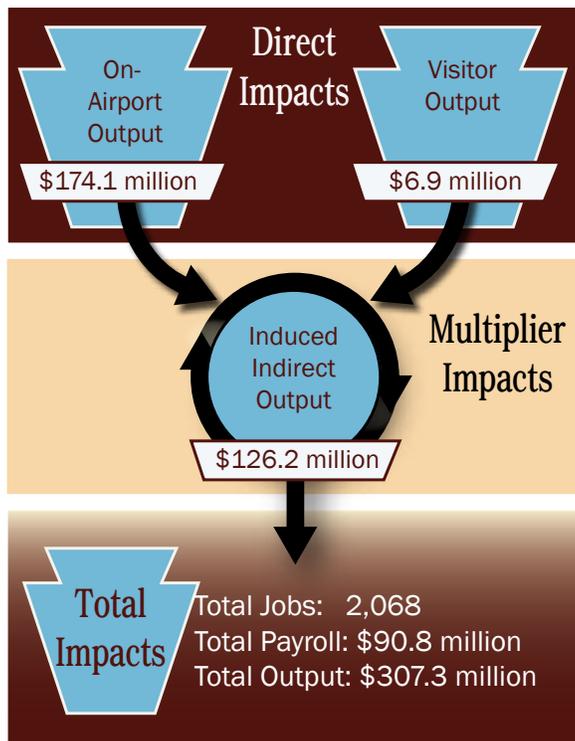
Study Process

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 Northeast Philadelphia 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

Northeast Philadelphia Airport is located 15 miles northeast of downtown Philadelphia. The airport is accessible via Interstate 95 and U.S. 1.

Northeast Philadelphia Airport is classified as an Advanced airport by the Pennsylvania Bureau of Aviation. The airport has approximately 166 based aircraft and experiences more than 100,000 annual operations. There are two runways: Runway 06/24 is 7,000 feet long by 150 feet wide and is equipped with high intensity runway lighting (HIRL). Runway 15/33 is 5,000 feet long by 150 feet wide and is equipped with medium intensity runway lighting (MIRL). Operations at the airport are supported by one precision instrument approach (ILS RWY 24) and seven non-precision approaches.

Northeast Philadelphia Airport is a reliever for Philadelphia International Airport and is one of the busiest general aviation airports in the Commonwealth. Northeast Philadelphia Airport is served by two full-service fixed-base operators, North Philadelphia Jet Center and Atlantic Aviation. Services at these and other on-site businesses include, but are not limited to, fueling; aircraft sales, rental, and management; charter services; oxygen; and de-icing. Both FBOs also provide modern terminal facilities.

Northeast Philadelphia Airport is one of the most important airports for corporate activity in the Commonwealth. The extensive FBO services and prime location in one of the nation’s largest metropolitan regions make it an ideal choice for corporate and business aviation, as well as ad hoc air cargo. According to the FAA the following are but a few of the numerous companies that utilize the airport:

- Wells Fargo Bank Northwest
- Wal-Mart Stores Inc.
- Bank of America
- The Brickman Group, Ltd.
- Wachovia Financial Services
- Louisiana-Pacific Corporation
- Newport Express Ltd.
- Saddle Creek Corporation
- ADCAP Network Systems
- SAH Enterprises
- SunTrust
- Variety Wholesalers Inc.

Hortman Aviation Services serves the airport as an FAR Part 141 pilot school. The Aviation Institute of Maintenance also has a school located at the airport and recently broke ground on an additional training facility. Keystone Aerial Surveys offers air photo services and operates 15 fully equipped survey aircraft. Air ambulance operations are also significant at the airport, as it is located in close proximity to several area hospitals and medical centers.