

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

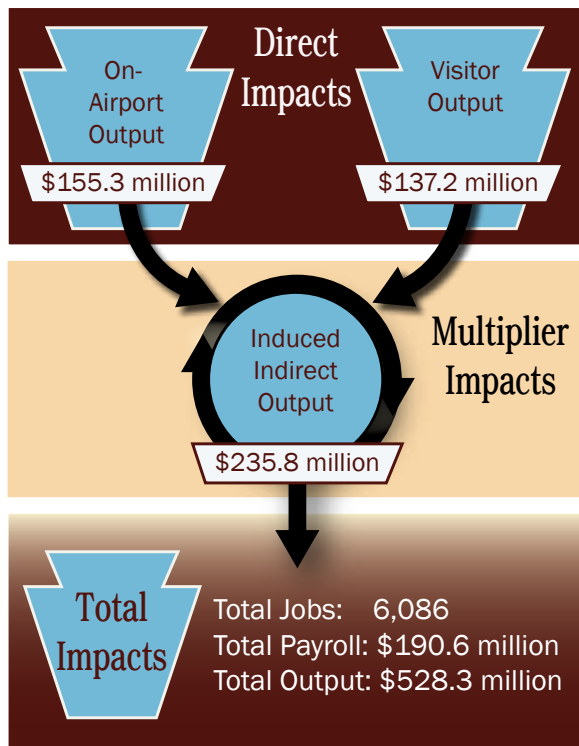
Study Process

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 Lehigh Valley 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

Lehigh Valley International Airport is located in eastern Pennsylvania, four miles north of Allentown. The airport is within 300 miles of New York, Philadelphia, Baltimore, Washington D.C., and Boston.

The Lehigh Valley International Airport is classified as a Commercial Service airport by the Pennsylvania Bureau of Aviation. The airfield supports 133 based aircraft and experiences over 100,000 annual operations. Lehigh Valley International Airport has two runways, both outfitted with high intensity runway lighting (HIRL). The main runway, Runway 6/24, is 7,600 feet long by 150 feet wide, while Runway 13/31 is 5,797 feet long by 150 feet wide. The airport is served by three precision approaches (ILS RWY 24, ILS RWY 06 and ILS RWY 13) and eight non-precision approaches.

Lehigh Valley International Airport serves the commercial and general aviation needs of the local community and beyond. The airport hosts eight airlines that offer nonstop service to 13 total destinations. Lower air fares and passenger preferences for departing a smaller more convenient airport have increased commercial traffic. The airport’s catchment area has increased with passengers driving to the airport from New Jersey and New York.

Lehigh Valley Aviation Services is a full service FBO, offering fueling, aircraft maintenance, a pilot lounge, flight planning, and many other flight, passenger, and pilot services. The airport is also home to a number of rental car agencies, charter companies, aircraft maintenance companies, flight schools, and restaurants. These FBO and aviation services make the airport an attractive option for corporate flights. The following companies use the airport regularly:

- Air Products & Chemicals Inc.
- Custom Alloy Corporation
- M&R LLC
- MGM Time Machine LLC
- Progressive Medical
- Sanofi-Aventis

Other activities at Lehigh Valley International include daily recreational flying, air cargo activity, military exercises, and medical flights. The airport also hosts a variety of events such as trade shows, fly-in breakfasts, and charity events. One of these, hosted by the Muscular Dystrophy Association, brings approximately 200 attendees to the airport annually. The airport sponsors events such as chamber trade shows, annual meetings, fly-in breakfasts, MusikFest, Mayfair, Celtic Classic and Lehigh Valley Iron Pigs baseball games. In December the airport sponsors the North Pole Express. Terminally and chronically ill kids take a flight to the “North Pole” where they receive gifts and meet Santa.