



CALIFORNIA AIRPORTS COUNCIL

SERVING CALIFORNIA'S COMMERCIAL AIRPORTS

Economic Impact Study of California Airports



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INTRODUCTION

The California Airports Council was formed in 2009 and consists of the commercial air service airports in California. The mission of the Council is to disseminate information about California commercial aviation to the public and contribute to the continued development of a robust commercial aviation infrastructure.

The total economic contribution of commercial aviation to California's economy is \$62.9 billion.

Today, thirty-four California airports are licensed by the Federal Aviation

Administration to provide commercial air service and 30 airports currently offer such service. California has more commercial aviation activity than any other single state, servicing almost 172 million total air travelers in 2011. California commercial service airports and related aviation activity results in significant permanent employment opportunities for Californians and substantial temporary employment, most notably in construction and construction services.

CALIFORNIA COMMERCIAL AVIATION EMPLOYMENT

In order to quantify the economic effects from California airports, an employment survey was distributed to all of the California Airports Council member airports. The survey asked the respondents to identify the number of workers at each airport, and distribute out these jobs by category, including fixed-based operations, customer service, concessions, maintenance, security, administration, and others. Based on responses from the surveys, we found a total of 117,273 employees working at the commercial airports. These jobs covered a wide range of different functions. Table 1-1 shows the stated job totals for the responding airports.

Total income earned by Californians working at commercial airports is \$7.6 billion.

As shown in Table 1-2 on the next page, the jobs are evenly distributed across a broad range of on-site activities, with customer service, ground transportation, and cargo operations creating the largest number of jobs.

**TABLE 1-1
CALIFORNIA AIRPORT SURVEY FINDINGS
TOTAL ON-SITE JOBS BY AIRPORT
LOCATION**

Airport	Total Jobs
Arcata Eureka	19
Bakersfield	612
Burbank	2,342
Chico	72
Crescent City	27
Fresno	2,190
Long Beach	1,295
Los Angeles*	50,000
McClellan Palomar	1,447
Merced	58
Modesto	140
Monterey	250
Oakland	7,680
Ontario*	2,479
Orange County	3,626
Oxnard	82
Palm Springs	821
Redding	310
Sacramento	3,598
San Diego	5,381
San Francisco*	29,556
San Jose	2,801
San Luis Obispo	101
Santa Barbara	419
Santa Maria	1,310
Sonoma	236
Stockton	421
Total	117,273

Source: ADE, Inc.; data from California airport employment survey.
* LAX and ONT employment are based on the total badged employee count. The employment total for SFO comes from their 2009 economic impact analysis.

MULTIPLIER EFFECTS

As shown in Table 2-1, the 117,273 jobs identified in the employment survey have a multiplier effect that creates more than three off-site jobs somewhere in California for every job supported at a commercial airport. The supplier relationships needed to keep California's airports operating, along with the induced effects created by employee and institutional spending, create a total of 268,743 jobs. This is a significant impact, with 386,016 total jobs in California that are supported by airport activities. In addition, this does not even account

**TABLE 1-2
CALIFORNIA AIRPORT SURVEY FINDINGS
TOTAL ON-SITE JOBS BY MAJOR
ACTIVITY CATEGORY**

Airport Function	Total Jobs
Fixed-base operations	9,121
Aircraft maintenance / repair	7,816
Air traffic control	2,589
Security	9,854
Ground transportation	12,024
Administration	6,619
Ground Support	9,986
Customer service	19,772
Terminal personnel	6,452
Retail / restaurants	8,277
Cargo operations	10,068
Catering / Airline meal preparation	2,821
Other	12,874
Total	117,273

Source: ADE, Inc.; data from California airport employment survey.
Notes: When survey responses were deemed incomplete, the missing data was filled in using averages from the completed surveys. In cases where more detailed determinations could not be made, the jobs were classified as other functions.

for the other economic activities that depend on air transportation as an infrastructure asset.

The economic value of airport activities is expressed as industry output, and the direct output for the surveyed airports totals \$20.6 billion. The multiplier effect for industry output creates an economic impact of \$42.3 billion. This means that every dollar of economic activity generated at a California airport will more than double that amount across the rest of the state economy. Altogether, the total economic impact

**TABLE 2-1
DIRECT AND MULTIPLIER EFFECTS OF CALIFORNIA AIRPORTS**

Total Economic Impacts	Direct Effect	Multiplier Effect	Total Effect
Employment	117,273	268,743	386,016
Industry Output	\$20,640,549,915	\$42,255,586,899	\$62,896,136,813
Labor Income	\$7,591,108,605	\$15,400,234,006	\$22,991,342,611

Source: ADE, Inc.; data from IMPLAN3 input-output model and California airport employment survey.

of commercial airports in California totals \$62.9 billion, which represents over 1.9 percent of the total industry output in the state.

Every dollar of economic activity generated at a California airport will more than double that amount across the California economy.

In addition, the labor income directly generated by airport activity totals about \$7.6 billion. In turn, this supports another \$15.4 billion in multiplier income effects. The total labor income supported by California commercial airports is \$23.0 billion.

There are no industry categories unaffected by the economic impact created by airport activities. The largest employment impact categories include health care, accommodations and food service, retail trade, and the public sector. In terms of industry output, the biggest beneficiary of airport activity in California is manufacturing, with \$8.0 billion in economic value created as a result of California's commercial airports.

The application used to interpret the data and generate the impact calculations is the IMPLAN3 input-output model. This application calculates impacts and buyer-supplier relationships for 440 individual industry and commodity categories.

This study was conducted by Applied Development Economics on behalf of the California Airports Council. For the full report, please visit calairportscouncil.org. For more information about Applied Development Economics, visit adeusa.com.