Executive Summary

July 2020

Study Approach
Economic impact is quantified by first calculating the direct effects of on-airport activity and visitor spending, then analyzing how these effects continue to generate money as they flow through the economy. Direct on-airport impacts are comprised of on-airport employment, business activities conducted by airport tenants, and capital improvement expenditures. As gateways into Washington, airports also generate significant economic impacts associated with direct visitor spending in industries such as lodging, restaurants, retail, and entertainment.

Supplier sales and the re-spending of worker income (indirect and induced impacts, respectively) are two streams often referred to as the multiplier effects. Supplier sales occur when on-airport businesses purchase goods and services from other Washington businesses. The re-spending of worker income occurs when on-airport employees spend their wages in the state. Multiplier impacts are calculated both on a regional level, which reflects supplier sales and re-spending of income within a region, as well as the impacts that are generated at the statewide level from these same sales and re-spending throughout the state.

Total economic impacts are the sum of direct, supplier sales, and the re-spending of worker income, which are then expressed in terms of jobs, labor income, value added, and business revenues.

Impacts by Type

On-Airport Activity
The economic contribution of airport administration, business tenants, and capital expenditures generate on-airport economic impacts. Washington’s airports function as centers for on-airport employment by providing services to airlines, airline passengers, and GA pilots and their aircraft. Additionally, many airports host aviation and non-aviation tenants that rely on the facility’s infrastructure to conduct business operations. Airport capital expenditures support safe and efficient operations and, in some cases, expanded operational capacity.

Visitor Spending
Out of state and international visitors often rely on Washington’s network of commercial service and GA airports as a gateway for tourism and to conduct business activities. In 2018, approximately 9.4 million out of state and international passengers arrived in Washington via the state’s 10 Primary commercial service airports and commercial seaplane bases, with an estimated additional 997,000 visitors arriving via GA. Visitor spending economic impacts are attributable to visitors’ spending on goods and services in hospitality-related businesses, as well as jobs and payroll supported by those expenditures.

Total Economic Impacts by Airport

Data Sources and Validation
The AEIS used numerous sources to gather data and employed multiple quality control techniques to ensure the data modeled in the AEIS was accurate and comprehensive. Primary sources included airport manager and business tenant surveys to obtain key information about various airport metrics. Secondary sources included the Federal Aviation Administration, U.S. Census Bureau, U.S. Bureau of Economic Analysis, and U.S. Bureau of Labor Statistics. Supplier sales and the re-spending of worker income were calculated using IMPLAN, an industry-leading economic modeling platform. Data inputs were distributed to every airport for validation prior to calculating total impacts to ensure data was accurate and comprehensive. All analyses reflect a 2018 baseline year.

Notes:
*Snohomish County (Paine Field) began scheduled commercial passenger service in 2019 after the 2018 study year of the Washington AEIS.
**The economic impact of Seattle-Tacoma International Airport was accurate and comprehensive. All analyses reflect a 2018 baseline year.

Economic contributions of individual airports are modeled to quantify the regional and statewide impacts of Washington’s airport system.

Levels of Economic Impacts

- Airport-Specific
- Region
- Statewide

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