

Aviation, Aerospace, and Defense Support Arizona

Arizona is home to 67 publicly owned, public-use airports that support the economic vitality and quality of life within the Grand Canyon State. Some of the world's most cutting-edge aerospace and defense companies and numerous United States (U.S.) military installations with a significant aviation-related component are also located across the state. The 2021 Arizona Aviation Economic Impact Study (AEIS) commissioned by the Arizona Department of Transportation (ADOT) Aeronautics Group examines the impacts of these three vital aspects of aviation and aerospace in Arizona.

Together these components contribute over \$121.4 billion to our economy every year—providing a foundation for Arizona's culture of growth, innovation, and economic prosperity.

STATEWIDE ECONOMIC IMPACT

\$121.4 Billion

Aerospace
Manufacturing¹

\$51.5B

Military Operations²

\$10.5B

Arizona Airports³

\$59.4B

Notes and Sources: (1) Impacts modeled by IHS Markit using IMPLAN [2019]. (2) Impacts obtained from the Economic Impacts of Arizona's Principal Military Operations commissioned by the Military Affairs Commission. Prepared by The Maguire Company [2017]. (3) Impacts modeled by IHS Markit using IMPLAN for 59 study airports. Eight airports requested that their independently conducted studies be incorporated into the ADOT AEIS study results [2019]. Please see the AEIS Technical Report for further details.

Tax Impacts

Airports' direct economic impacts result in local and state tax revenues. On-airport businesses pay business and operating (B&O) taxes. Visitor spending generates taxes and fees associated with sales; hotel stays; and use of transportation services including rental cars, Transportation Network Companies (TNCs), and taxis.

2019 Tax Impacts

Airport-specific (PHX)	\$2,565,751,000
All Airports in Maricopa County	\$2,821,418,000
Total Statewide Airport Tax Impacts	\$3,472,766,000

Source: IHS Markit using IMPLAN 2019

For more details about the 2021 Arizona AEIS, including the full technical report, visit

azdot.gov/planning/airport-development/links-and-resources-airport-development

ADOT

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ARIZONA AVIATION ECONOMIC IMPACT STUDY

Phoenix Sky Harbor International Phoenix



What Does Economic Impact Measure?

The Arizona AEIS measured how economic activity at the state's airports stimulated the Arizona economy in 2019. Impacts are generated by airport administration and business tenant employees working on airport property, capital improvement spending, and the thousands of out-of-state and international visitors who fly to Arizona and bring new money into our economy.

In turn, airport administration and on-airport business tenants purchase goods from suppliers (indirect impacts) and airport workers spend the money they earn (induced impacts), generating successive waves of economic impacts in Arizona.

Arizona Airports are Vital to the Economy

Arizona's diverse airports support commercial passenger service; world-class general aviation (GA) activities such as flight training, skydiving, and aerial tours; and air cargo while serving as regional job centers and economic engines in their communities.

Statewide Economic Impact of Arizona Airports*

Arizona's airports contributed **\$33.0B in value added** to the state, equaling 10.2% of the total Gross State Product in 2019.

**This includes the economic impacts of Arizona's airports but excludes aerospace manufacturing and military operations.*



Jobs
386,057



Earnings
\$20.4B



Economic Activity
\$59.4B

Top Airport Activities at PHX



Economic Impact of PHX

\$14.4B
On-airport Activities

\$6.6B
Visitor Spending

Indirect/Induced
\$24.0B

PHX Total Impacts



Jobs: 303,699
Number of full- and part-time persons employed



Earnings: \$15.9B
Total compensation paid to workers including wages and benefits



Economic Activity (Output): \$45.1B
Value of sales that occur in the Arizona economy that are ultimately attributable to airport activities

Phoenix Sky Harbor International (PHX)

Phoenix Sky Harbor International Airport (PHX) is a large commercial service facility in the heart of the Phoenix metropolitan area. Since the City of Phoenix gained ownership of Sky Harbor International Airport in 1935, the airport has transformed from a facility located in isolated farmland to serving over 1,200 aircraft arrivals and departures, 125,000 passengers, and 1,000 tons of cargo each day. Airlines provide nonstop flights to more than 100 domestic and 22 international destinations, and PHX is a hub for American Airlines, Southwest Airlines, and Mesa Airlines. In addition to the economic impact generated by 8.6 million visitors who utilized PHX in 2019, the airport is home to numerous businesses on and adjacent to airport property. These businesses support scheduled commercial service airlines and their passengers, GA activities, and air cargo providers, as well as provide services such as information technology, security, and maintenance. Notably, Honeywell is located on the north side of the runway area, and the Sky Harbor Center, located west of the airport, employs thousands of workers in various financial, technical, and government positions. Major initiatives including the Terminal 3 modernization, PHX Sky Train, and a new Terminal 4 concourse further contribute to the economic impact generated by Phoenix Sky Harbor International Airport.

Did You Know?

For every 100 direct jobs, PHX supports an additional 121 jobs in Arizona.

