

**Testimony of
Governor Mark Schweiker
Chairman of the CEO Council for Growth
President and CEO of the Greater Philadelphia Chamber of Commerce
Subcommittee on Transportation, Housing and
Urban Development and Related Agencies
Committee on Appropriations
April 25, 2008**

Thank you, Senator, for inviting me to testify before you today on behalf of the business community. And best wishes for your good health. For the record, I am Mark Schweiker, President and CEO of the Greater Philadelphia Chamber of Commerce, which is the premier advocate of the region's business community, representing 5,000 companies and organizations in 11 counties across three states – Southeastern Pennsylvania, Southern New Jersey, and northern Delaware.

I am here in my role as Chairman of the CEO Council for Growth, which is a group of prominent business executives committed to Greater Philadelphia's growth and prosperity and an affiliate of the Chamber. The CEO Council's mission is to enhance the competitiveness of the Greater Philadelphia region in the global economy. A key to this mission is the ability of Philadelphia International Airport (PHL) to serve as an economic engine for Greater Philadelphia.

In today's global economy, having a world class airport is essential. Throughout history, commerce has occurred where trade routes cross; in the 21st century, that means airports. Philadelphia International Airport is our gateway to the world and a critical driver of our regional economy that also provides very real benefits to local communities. Tens of thousands of jobs rely upon the airport. The ability to easily travel in and out of the region is a significant factor for professionals doing business, and for residents seeking convenience.

Our region currently enjoys one of the most rapidly growing air travel markets and has both hub and low fare operators that are committed to air service expansion at PHL. Between 1997 and 2006, total passengers at PHL have increased 42%. There are currently 700 daily departures to 120 cities, including 52 daily non-stops to 36 international destinations. By 2009, US Airways will initiate non-stop direct service to Beijing, a route that provides direct and indirect economic impacts to every region that can secure the service. With 34,000 employees and over 200 employers, PHL is estimated to provide \$14 billion in regional economic impact. Clearly the airport provides important benefits to businesses, residents and travelers.

In a very dynamic airline competitive environment, the City and management of PHL have done an effective job of attracting both domestic and international flights to serve our region. Also, sizeable projects currently under construction will solve some of PHL's most irritating problems. Recent facility improvements such as Terminal A East have set a standard of quality at PHL that is appropriate for a major market community such as ours.

However, the growth and quality of service that PHL can provide is dependent on its ability to expand its capacity, both in the air and on the ground. Currently, Philadelphia International Airport is among the five worst US airports for departure delays. Routinely, the New York and Philadelphia metropolitan areas are among the top 10 that experience regular airport delays. As a result, PHL has garnered a negative reputation among air

travelers that detracts from the region's ability to attract and retain businesses who are highly dependent on flying.

The CEO Council for Growth supports efforts to improve and expand the region's major infrastructure assets and we think it is important to explore strategies that could make PHL more competitive, including changing flight paths or scheduling practices that could improve on-time performance. In 2007, FAA made the decision to redesign airspace along the eastern half of the United States. This area is the most complex and densely traveled airspace in the world. Travelers in and out of Greater Philadelphia will benefit from better air traffic flows, as will people traveling to and from Boston, Washington and New York.

We also want to make sure that the costs of redesign are worth the regional benefits. We believe that the every effort should be made to ensure that the concerns of local residents are balanced with the important goal of reducing delays at PHL. We commend the FAA for listening to the concerned citizens of Delaware County and other communities, resulting in significant mitigation of the proposed headings over the County from six to three. We are committed to working with the airport, the FAA and the region's Congressional delegation to help make sure that appropriate mitigation measures are undertaken to preserve the quality of life in Delaware County and other communities.

We also believe that preserving and enhancing the airport's ability to serve as an economic engine for the region will directly benefit Delaware County by providing job growth and increased tax revenue. We believe that the airport and its adjacent areas should be viewed strategically as a prime development opportunity where adjacent land uses could enhance PHL's ability to create jobs and tax revenues for Philadelphia, Delaware County and the region.

Therefore, in order to accelerate recent progress, we hope that all stakeholders -- the City of Philadelphia, the Commonwealth of Pennsylvania, neighboring jurisdictions, regional federal officials, the Federal Aviation Administration, the Department of Homeland Security, air carriers serving PHL and the business community -- should dedicate ourselves to completing a series of actions and facility projects over the next ten years that will improve the quality of customer service, increase the availability of more non-stop flights, enhance the efficiency of operations and maximize the contribution of PHL to the quality of life and growth of regional prosperity here.

With shared commitment and foresight, PHL can be the first class airport that this region needs. I am here today to offer the support of the Greater Philadelphia region's business community.

Thank you for the opportunity to address you this morning. I am happy to answer any questions.