

ECONOMIC IMPACTS OF PERFORMING ARTS ORGANIZATIONS ON AVENUE OF THE ARTS



CLIENT

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Econsult Corporation (Econsult) was retained by Avenue of the Arts, Inc., to carry out a study of the economic and fiscal impacts attributable to performing arts organizations along the Avenue of the Arts in Philadelphia. In particular, Econsult made use of its Economic and Fiscal Impact Model to estimate the direct expenditures associated with performances, the indirect expenditures generated in various industries supplying goods and services to the performing arts organizations in order to meet the activity directly related to performances, the induced expenditures representing the impact of wages and salaries generated by the performances and then spent in the region, as well as the state and local taxes generated by all economic activity related to the performances.

Econsult Corporation found the economic impact of the Avenue of the Arts to be substantial – the direct expenditures attributable to performances and patron spending on the Avenue was estimated to be \$219 million. Total expenditures were estimated to equal \$547 million, including \$121 million in wages and salaries paid by the impacted industries.

The fiscal impact of the Avenue of the Arts was also substantial, contributing directly and indirectly to nearly \$17 million in municipal taxes and \$32 million in state taxes annually.

Total employment attributable to the performances, ancillary patron spending, and the numerous supplying industries to the arts resulted in 6,300 person-years of employment throughout the greater Philadelphia region.