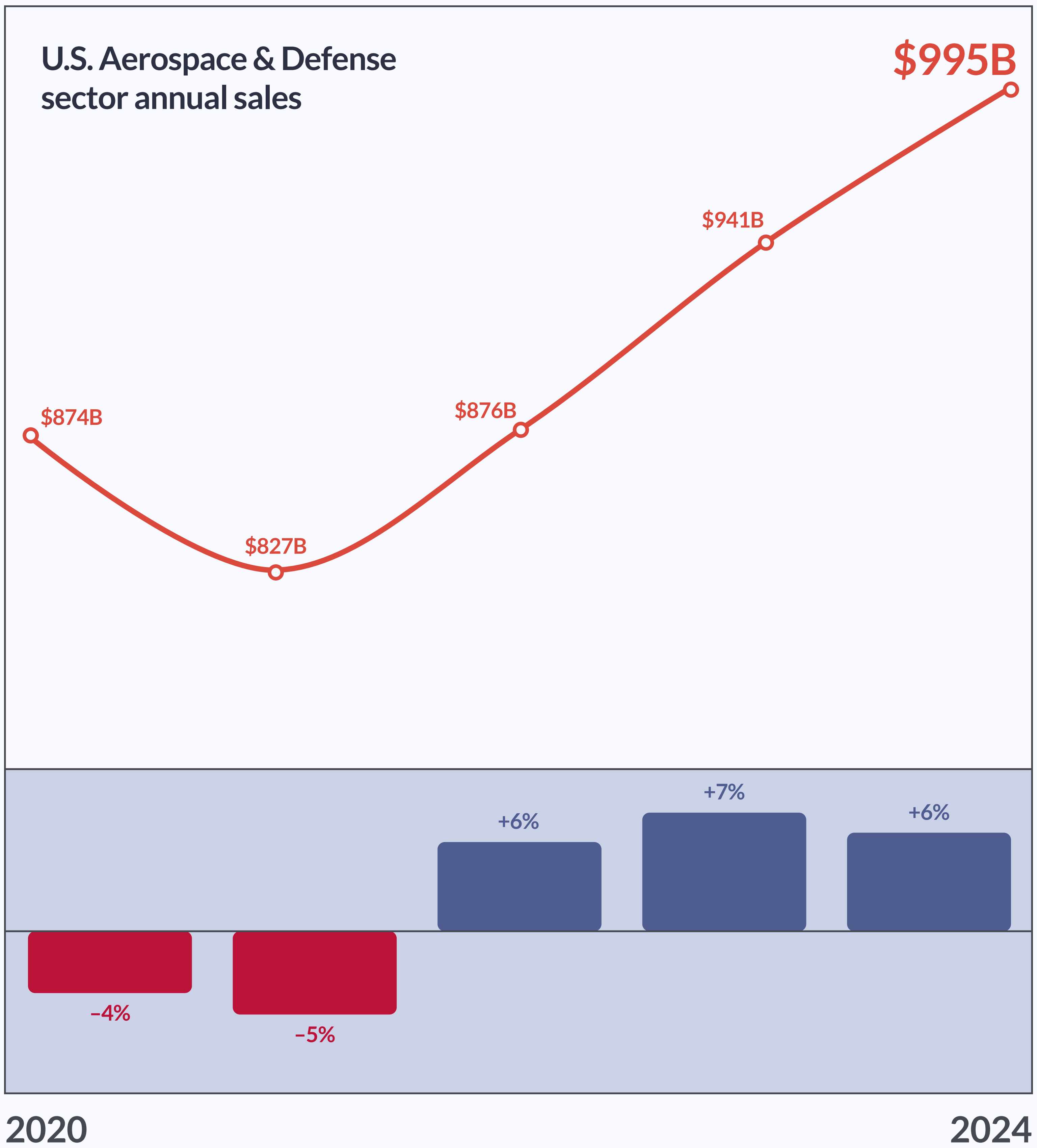
U.S. Industry and Workforce Trends in Aerospace & Defense

The U.S. Aerospace & Defense industry contributes approximately 1.5% of national GDP. Market growth is driven by sustained federal defense spending, ongoing commercial aviation fleet renewal, and the rapid expansion of satellite constellations within the space sector. Aerospace demand is further supported by the recovery of global air travel following the COVID-19 downturn and continued expansion in emerging markets. Elevated global defense spending and persistent geopolitical tensions continue to stimulate investment in advanced military technologies.

The U.S. Aerospace & Defense market is approaching $1 trillion in revenue

Defense remains the primary driver for the industry in the United States, accounting for nearly 70% of the A&D sector in 2024. The U.S. leads the global defense market, contributing 40% of worldwide military spending. With ongoing geopolitical tensions and rising defense budgets, we can expect further growth and investment in advanced technologies.

The U.S. **Aerospace** industry accounts for 32% of the global market. Following the pandemic-related downturn, the commercial segment has rebounded, supported by escalating demand for aircraft, commercial fleet renewal, and rising passenger travel, particularly in emerging markets.



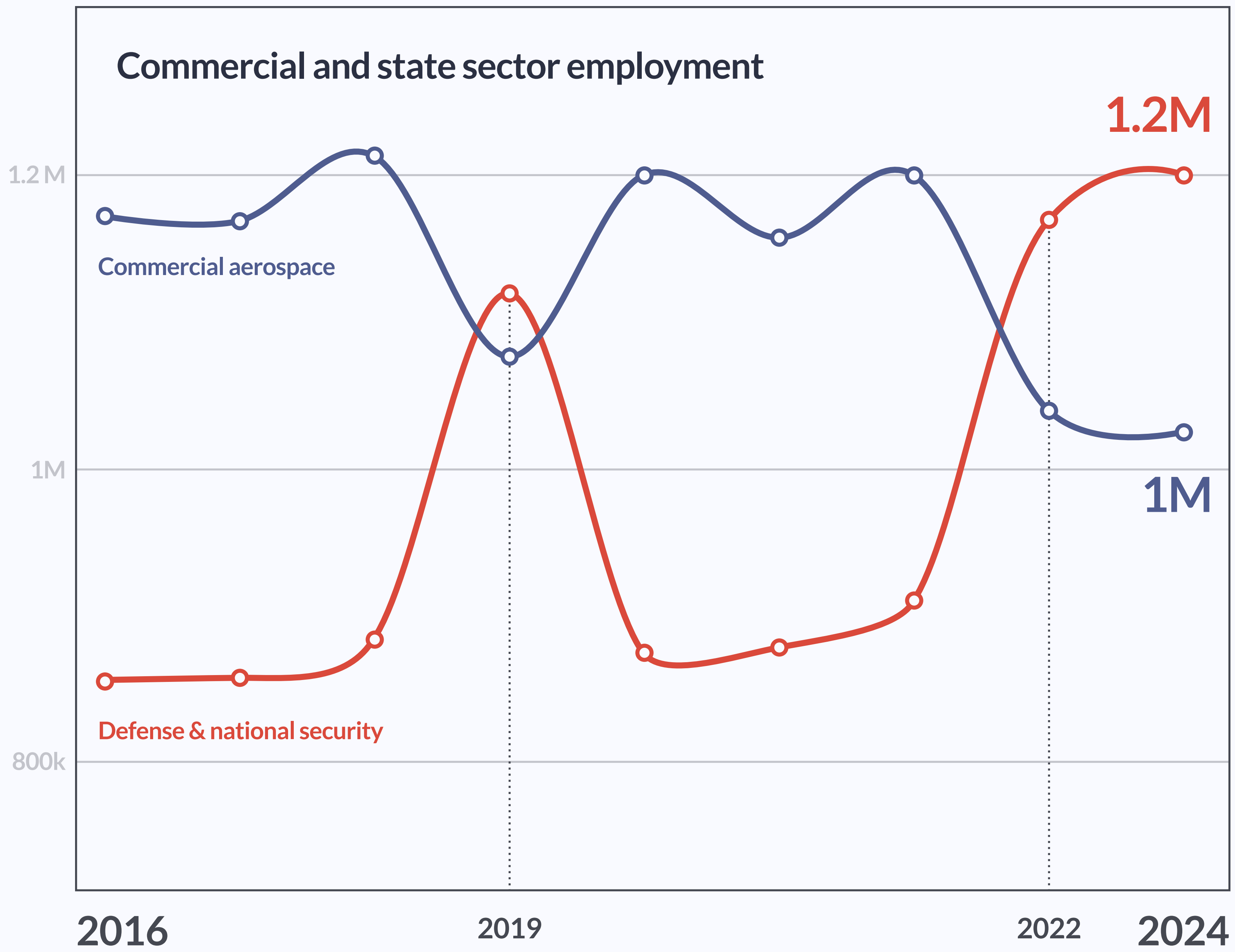
Over the past two years, national security workforce levels have surpassed the commercial sector

54%

A&D manufacturing workers employed in the defense and national security sector

46%

A&D manufacturing workers employed in the commercial aerospace sector



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As defense spending continues to rise, the defining challenge for many programs is no longer funding but execution. We’re seeing sustained demand for highly specialized electrical engineering skills, particularly in power electronics, avionics, embedded hardware, EWIS, and systems integration, at a pace that traditional hiring models can’t support.

Defense organizations are increasingly turning to project-based delivery partners that can quickly mobilize proven engineering expertise, integrate seamlessly into existing teams, and help keep critical programs on track without adding long-term overhead.

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Sources: Aerospace Industries Association; CMC analysis

Spotlight: Commercial Space

The commercial space sector includes satellite deployment, launch services, in-orbit servicing, space exploration, and emerging ventures such as space tourism. Today, the **commercial sector accounts for 78% of the global space economy**, with the United States steadily maintaining its leading position.

981
U.S. space flights launched to date

58
U.S. human space launches made to date

55
Spaceship re-entries made to date

18
Crewed spaceship re-entries made

Currently 20 spaceports are operating across the United States

Sources: Space Foundation, Federal Aviation Administration

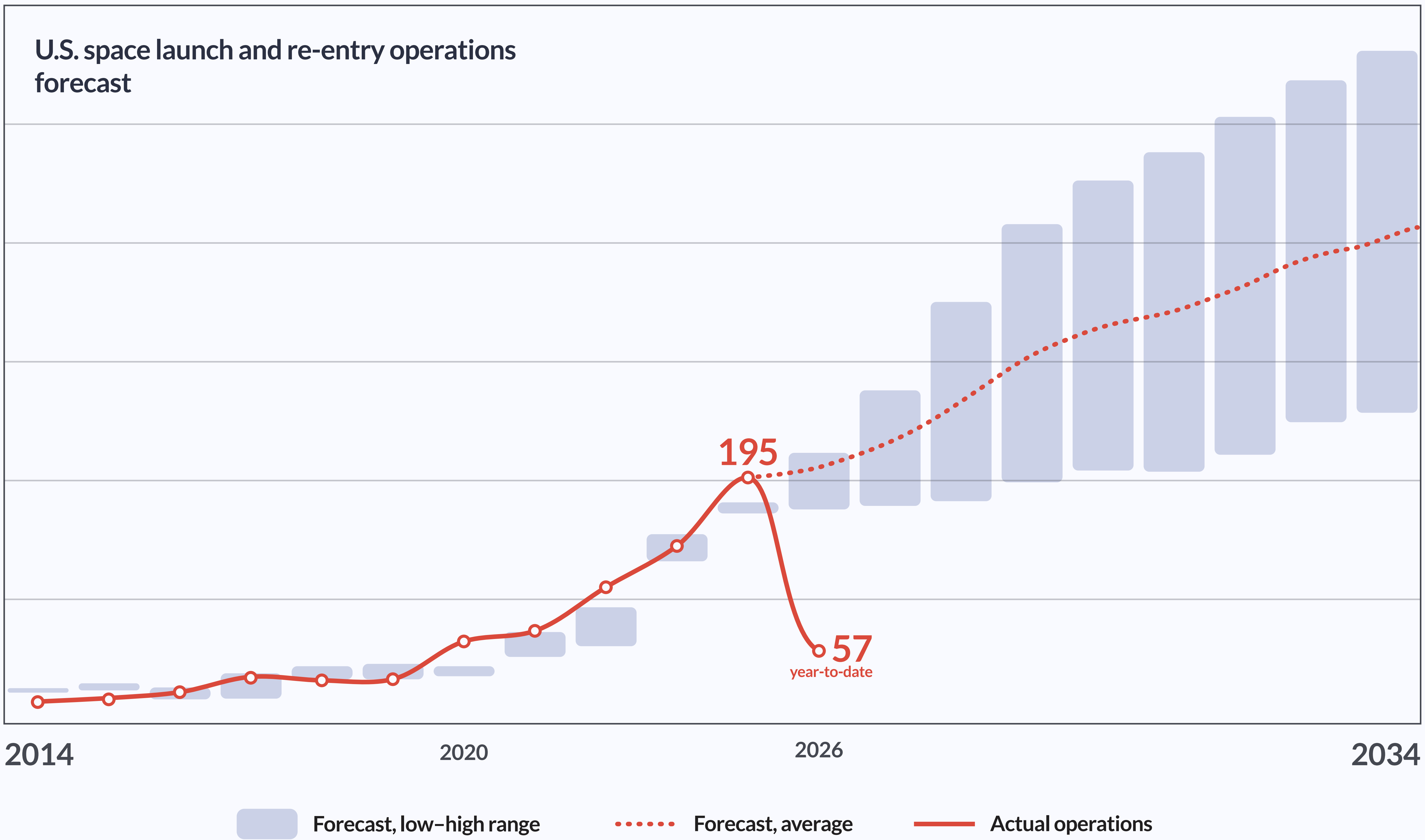
Greater reusability and lower launch costs will enable more frequent space launches in the future

Over the next decade, **commercial space operations are expected to double**, driven by demand for in-orbit servicing, cislunar missions, Mars exploration, continued satellite deployment, and space tourism.

The space sector is increasingly shifting from state-led programs toward private-sector innovation. Technological advances are driving faster and more cost-effective access to space, prompting **rocket manufacturers to invest in larger launch vehicles that reduce per-launch costs** and support heavier, more complex payloads such as satellites, spacecraft, and telescopes.

Reusability is another core industry trend. SpaceX, Blue Origin, and Relativity Space are all working on fully or partially reusable launch vehicles designed for 20 to up to 100 missions, enabling higher launch frequency and improved cost efficiency.

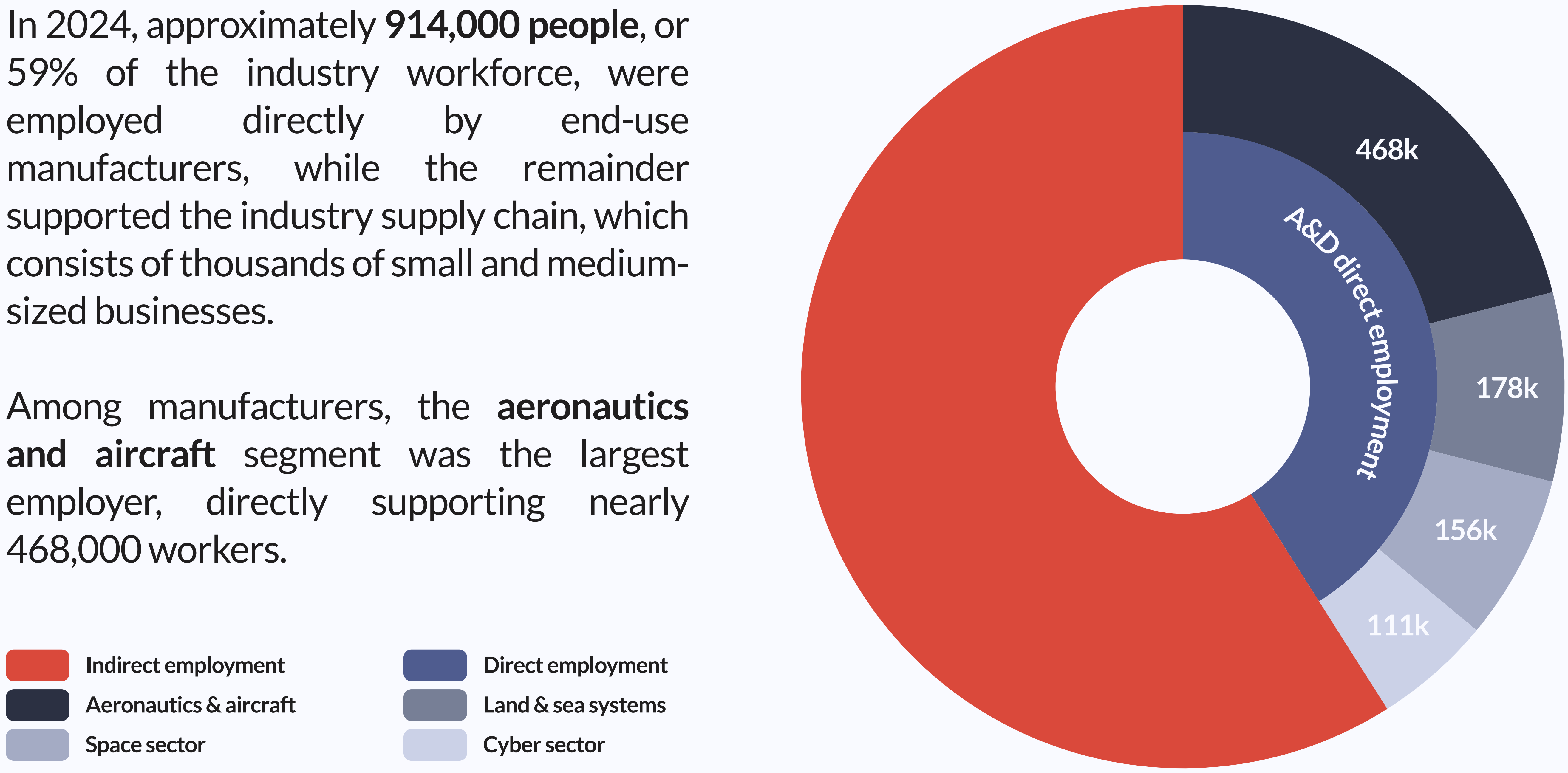
Number of commercial space flights is predicted to grow exponentially over the next decade



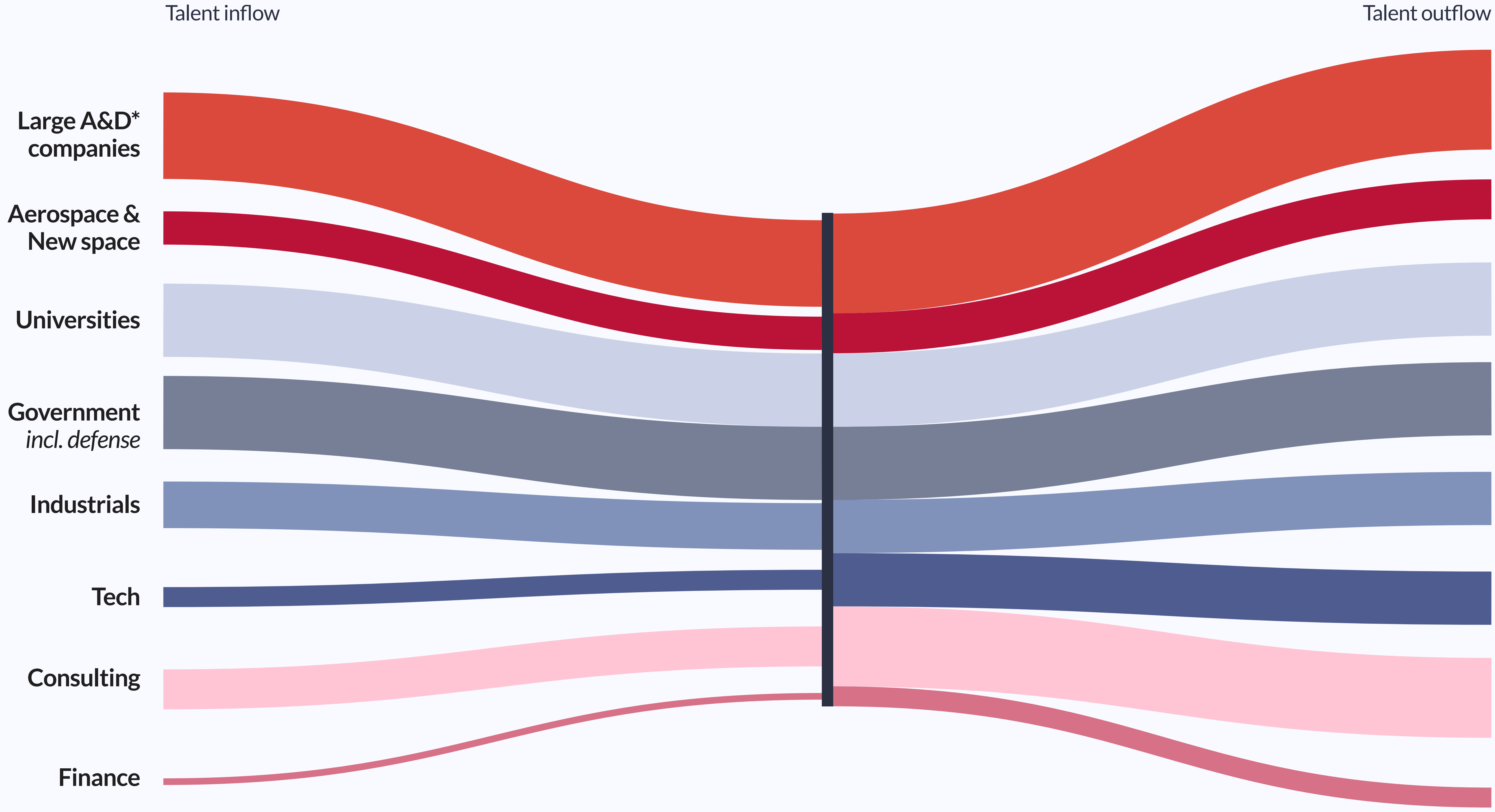
The U.S. Aerospace & Defense employs 2.2 million people with 41% working directly in the industry

In 2024, approximately **914,000 people**, or 59% of the industry workforce, were employed directly by end-use manufacturers, while the remainder supported the industry supply chain, which consists of thousands of small and medium-sized businesses.

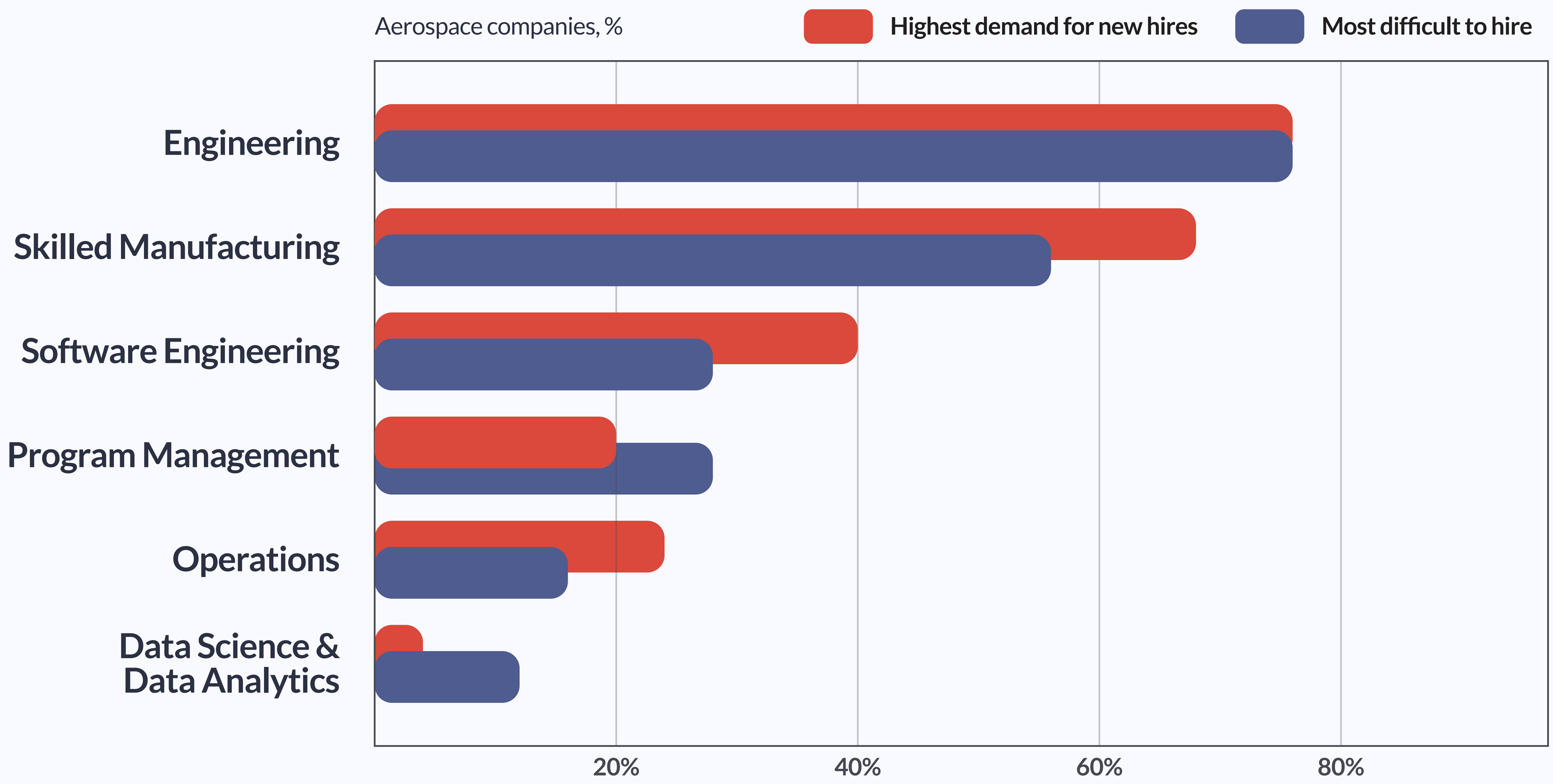
Among manufacturers, the **aeronautics and aircraft** segment was the largest employer, directly supporting nearly 468,000 workers.



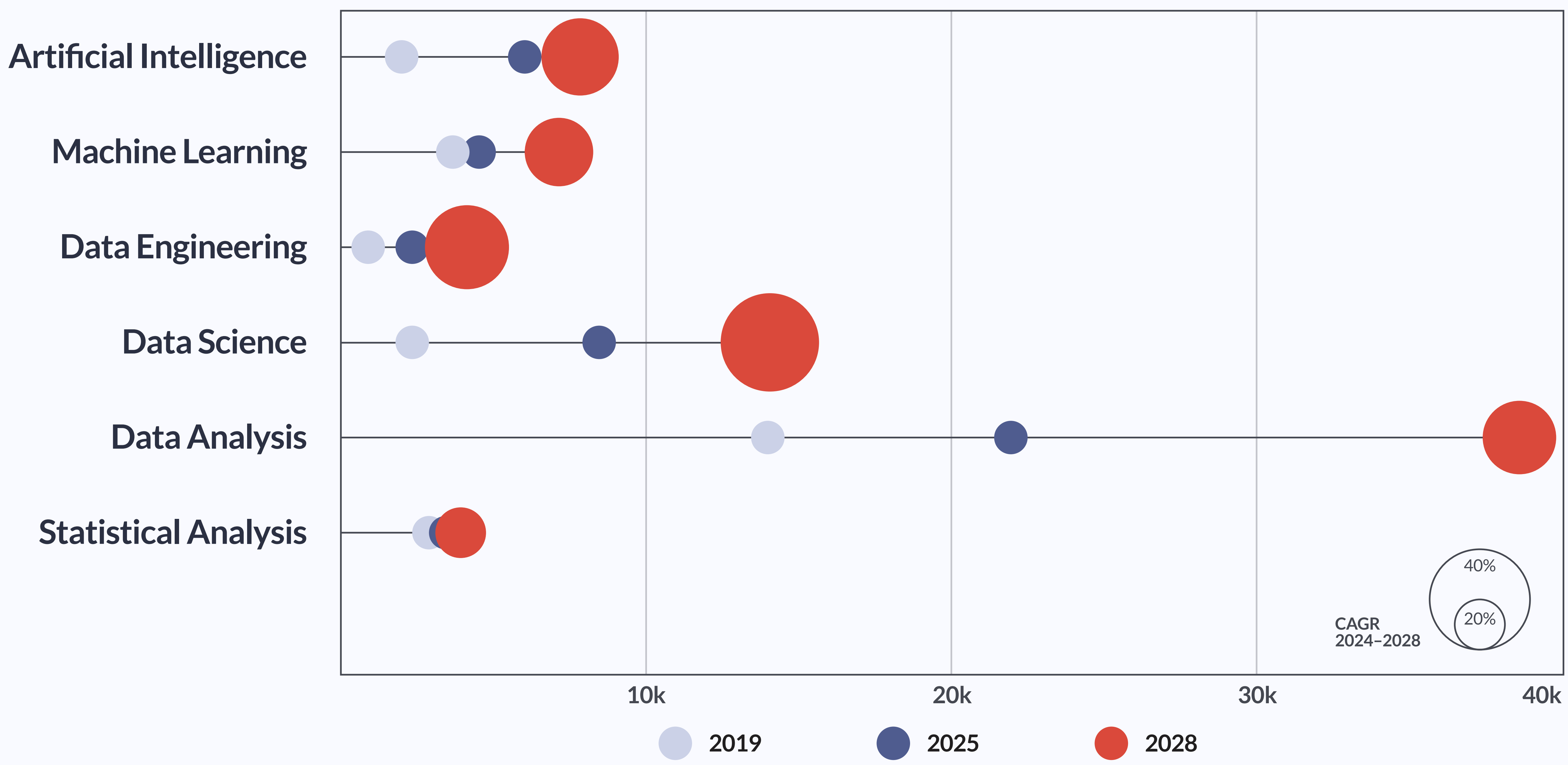
Aerospace & Defense organizations are losing large shares of talent to tech and consulting



Critical engineering and manufacturing roles are the most in-demand and hardest to fill



A growing share of Aerospace & Defense jobs require AI and data analysis skills



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