VERMONT

The Economic Impact of Vermont's Public-Use Airports

Final Technical Report

Conducted under the direction of:

VTrans Working to Get You There
Vermont Agency of Transportation

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A MESSAGE FROM VERMONT'S SECRETARY OF TRANSPORTATION

Patricia McDonald
Secretary of Transportation

Whether you are a resident, a visitor enjoying the wonderful recreation and relaxation opportunities that the State has to offer, or a businessperson engaged with one of our fine industrial or commercial concerns, Vermont's airports are important to you.

The Vermont system of seventeen public-use airports generates an annual economic impact of more than $600 million. Over 9,000 jobs and $225 million in wages are attributable to public-use airports and the aviation industry in Vermont. With this Study, the State is pleased to have assessed effectively how these airports contribute to Vermont's economy. However, the Study also documents the impacts of these airports that go beyond financial measure.

As a group, these airports provide a quick, efficient, and safe method of moving people and goods into, out of, and within the Green Mountain State. These airports also improve the quality of life for every single resident and visitor, whether or not they directly use airport services.

In the aftermath of the tragic events of September 11th, the nation came to realize just how critical is the link between air transportation and the economy. For two days, the United States felt the dramatic repercussions of having its airspace completely shut down. The U.S. airline industry, already feeling the impacts of a sluggish economy prior to September 11th, was financially devastated by the fallout and is still trying to recover. The ripple effect impacted U.S. airports, and revenues dropped dramatically.

In Vermont, the impact of those tragic events were felt by commercial service and general aviation airports alike. The effects arrived at a time when the State was already grappling with the 'general aviation insurance crisis,' the rapid jump in price or non-availability of general aviation insurance in the last few years. This Study also analyzes the impact of these dynamics as they have affected that State economy, and as they are likely to evolve.

Aviation serves a vital national interest. A strong airport system is essential to meeting the country's transportation needs and to sustain economic well-being. For our nation to have a strong system, each state must provide the essential links that make the whole greater than the sum of its parts. The Vermont Agency of Transportation (VTrans) has invested time and resources making sure that our aviation facilities are able to accommodate the demand placed upon them by residents and visitors. Our system of airports is used and valued by people from all over the world for its ability to provide direct access to Vermont's diverse business interests and its vast cultural, leisure and agricultural resources.

Vermont deserves to be proud of its public-use airport system, and of the economic engine it represents to local communities and to the State as a whole. It is hoped that this Study will increase the recognition and appreciation among Vermonters for the vast benefits it provides.

Patricia McDonald
Secretary of Transportation

A MESSAGE FROM THE VTRANS AVIATION PROGRAM MANAGER

Rich Turner
Aviation Program Manager

Airports, aviation and aviation-related industries have a profound impact upon the State of Vermont. They enhance the quality of life in Vermont by providing access to the rest of New England, the U.S., and the world. Proximity to airports increases business opportunities within Vermont by permitting efficient, cost-effective travel and providing Vermont businesses with access to the worldwide market. Airports also provide a gateway to out-of-state tourists and businesses. Beyond the travel-related benefits, aviation generates significant revenues in Vermont and provides high paying jobs for many residents within the State.

Currently, people not directly associated with Vermont airports may not be aware of the facilities' significant economic contribution. Except for the two at which commercial service is available (Burlington International and Rutland State) many people are unfamiliar with the Vermont's airports.

To understand and measure the impact of Vermont's public-use airports on the State economy, VTrans undertook an Economic Impact Study. This report summarizes the Study and highlights the significant economic value of the Vermont system of public-use airports.

This Study shows that many Vermonters derive economic benefits from the daily operation of the airport system. Among them, employees of firms and corporations that rely on aviation services for freight or personnel transport, and those who work in the hospitality industry serving visitors arriving in the State by way of airports.

The primary focus of this Study is on the identifiable and quantifiable impacts to the state and local economies resulting from the seventeen airports studied. However, the Study also identifies some of the non-quantifiable benefits linked with aviation, such as quality of life contributions to the health, safety, recreation, education, and overall community life of Vermonters.

The VTrans Economic Impact Study also undertook a review of two important developments in the aviation industry to measure their impact on Vermont's economy, specifically:

- The events of September 11
- The 'general aviation insurance crisis'

In addition, the Study also examines the interrelationship between the airport system and the State highway transportation network.

It is essential that the State's residents, business community and government officials understand the positive returns that emanate from investments in aviation. From the smallest general aviation facility to the major commercial service airports of Rutland and Burlington, each airport's economic contribution is far in excess of the amount spent to maintain and operate the facility. The goal of this study is to provide Vermont with a sound understanding of the benefits derived from each dollar spent on aviation.

All of these airports need to be recognized for their economic contribution so that critical airport development within the State can continue into the future, enhancing the quality of life for the whole of Vermont. Our job at VTrans is to promote aviation while establishing and maintaining a safe, efficient airport system to meet the current and future air transportation and economic needs of the State. This Study gives us another tool to meet our mission.

Let us know what you think as well. Get in touch with us at VTrans and share your appreciation for one of Vermont's airport system.

Richard Turner
Aviation Program Manager

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