

The Economic Impact Of Vermont's Public-use Airports



Client

Facts

Period 2003

Project Country

By SH&E, Economic Development Research Group, Dufresne-Henry, Inc, and Yellow Wood Associates, for the Vermont Agency of Transportation, 2003

The Economic Impact of Vermont's Airports is shifting. Thus VTrans, Vermont's Agency of Transportation, recognized the need to evaluate not only the economic role of aviation in the state, but also to examine the potential economic impact of a variety of alternative future scenarios. These scenarios included impacts of post-Sept. 11 changes in commercial and corporate aviation, impacts of rising general aviation insurance costs and decreasing efficiency of ground access to airports.

To address these issues, VTrans engaged Economic Development Research Group (EDR Group) and SH&E to conduct a series of surveys and airport impact studies. The new research examined the critical role that air transportation and airports play in the economy of the Green Mountain State. It then also examined the impacts of each public use airport on local and regional economies. To accomplish this, the consultant team surveyed not only aviation-related businesss, but also "air reliant" businesses that are not aviation-related but nevertheless rely on aviation to ship products, provide services and make sales calls as part of their business operations in Vermont.

The economic impact study combined the REMI model, IMPLAN model, and a version of EDR Group's airport economic impact model developed specifically for Vermont. Results of this analysis showed that annual business sales in the Vermont economy attributable to aviation is \$612 million, supporting more than 9,500 jobs. In addition, EDR Group showed that the airport impact of two major commercial airports (Burlington and Rutland) saved over \$97 million in annual business sales and over 2,000 jobs that would be lost if Vermont businesses and residents had to rely on alternative airports in adjacent states.

Results for other scenarios showed that post-Sept. 11 reductions in air travel and rising costs of general aviation insurance also cause substantial economic consequences in the range of \$40 million/year of business sales and over 550 jobs in the state. Executive Summary Brochure from VTrans web site (pdf file, 304k)

Note: EDR Group has also conducted statewide aviation economic studies for Virginia, Massachusetts, Wisconsin, Arizona, Colorado, Michigan and Oregon.

Contact Persons