

The Benefits of Aviation and Local Airports

**Maria Muia
Aeronautics Section Manager
Intermodal Division
INDOT**

Name of Presenter: Maria J. Muia
Manager, Aeronautics Section – Indiana Department of
Transportation

Name of presentation: The Benefits of Aviation and Local Airports

Synopsis:

The aviation industry is an economic generator. It equates to jobs and income. There is an important link between an airport and a community's economic vitality. Many of Indiana's businesses depend on this important industry for access to markets and for access to the nation's air transportation system. The total annual economic impact of Indiana's airports on the state's economy is estimated to be more than \$3.8 billion, while these airports employ more than 15,600 people through out the state.

Maria J. Muia
Manager, Aeronautics Section
Indiana Department of Transportation

The Benefits of Aviation and Local Airports

The aviation industry is an economic generator. It equates to jobs and income. There is an important link between an airport and a community's economic vitality. Many of Indiana's businesses depend on this important industry for access to markets and for access to the nation's air transportation system. The total annual economic impact of Indiana's airports on the state's economy is estimated to be more than \$3.8 billion, while they employ more than 15,600 people throughout the state.¹

Indiana is the home of 119 public use airports with approximately 48.7 million square feet of paved runway (95 miles end to end = Terre Haute to South Bend). This state also has over 13 million square feet of turf runway and 273 million square feet of landing waterway.

Indiana airports experience approximately 2.35 million operations (takeoffs and landings) per year. In fact, four aircraft takeoff or land every minute. One out of every 460 Indiana Citizens is a pilot, and there is 1 based aircraft in the state for every 3.1 pilots.

Now most people are familiar with airports and they visualize a very specific mental image when the subject comes up. This image is usually of a larger air carrier type airport serving Boeing 737s or MD 80s. They are the airports we know as Indianapolis International, Fort Wayne International and South Bend Regional airports. These facilities accounted for over 8.3 million flights with 614 million passengers in 1998.² (On a side note, it is important to note that there was not a single fatality by the airlines in 1998.³) Although this may be the vision that we develop in our minds when thinking of aviation and airports, it is only half of the picture. The other half is general aviation.

General aviation is defined as all forms of aviation except commercial and military. Many people are simply unaware of the numerous functions general aviation serves. In addition to providing personal and business transportation, general aviation serves for the transportation of freight, for law enforcement activities, fire fighting activities, air ambulance needs, and recreation. In fact, airshows are the 2nd most popular entertainment event in this country. Only Major League Baseball has greater annual attendance by spectators.⁴

There are 5,400 general aviation airports located throughout our nation.⁵ Indiana alone enjoys over 100 such facilities. Over 7,000 businesses in our nation rely on general aviation aircraft and airports to reach global markets and compete in the global

¹ Economic Impact of Indiana's Airports, AAI, 1998.

² 1999 Annual Report, Air Transport Association.

³ 1999 Annual Report, Air Transport Association.

⁴ General Aviation is, GAMA, 1999.

⁵ General Aviation is, GAMA, 1999.

economy.⁶ General aviation aircraft and component manufacturers employ over 150,000 people⁷, while Indiana provides the home base for approximately 300 aerospace manufacturing companies.⁸

“General aviation is estimated to be a \$17 billion industry, generating over \$51 billion annually in economic activity.”⁹ General aviation aircraft fly almost twice as many hours as the airlines.¹⁰ Furthermore, 70% of those hours flown are for business or commercial purposes.¹¹

While general aviation airports serve over 5,400 communities, scheduled airlines only fly into about 600 larger airports throughout our country. Therefore, the impact of our general aviation facilities is more significant than most of the general public is aware. As our economy grows and smaller communities struggle to compete in the global marketplace, airports have become a vital link to survival. Access to air transportation helps smaller community retain and attract businesses and provide jobs. “Communities without an airport are less likely to bring new jobs from outside the region.”¹² Additionally, “general aviation airports are a major factor in relocation decisions for both small and large businesses.”¹³ A community with a good labor pool and an adequately equipped general aviation airport is appealing to a business. Communities that do not have adequate general aviation airports suffer from lost economic opportunity.

One of the primary reasons GPC located in Daviess County was because of their airport. A prerequisite for building their grain processing plant in this community was their 4600-foot long and 75-foot wide runway and a heated hangar at the airport. Since locating there a few years ago, they have invested over 300 million in their facility, thus impacting the local economy considerably.

Additionally, Crown Equipment (with their 3 corporate jets) located in Greencastle because of the 5,000-foot runway at Putnam County Airport. United Airlines and US Postal Service located in Indianapolis because of the location and utility offered by Indianapolis International Airport. And finally, Toyota located in Gibson County for access to Evansville Regional Airport.

Airports are important to a community because they provide local businesses with access to the global market. They help retain and attract business to a community and thus provide jobs and economic prosperity for the area. Safe, efficient air service creates an environment that allows both existing and new business to succeed and thus increases a community’s tax base. Airports are vital to Indiana’s transportation network, to the economy, and to each Indiana community.

⁶ General Aviation is, GAMA, 1999.

⁷ General Aviation is, GAMA, 1999.

⁸ BMT internet site, www.bmtadvantage.org/services/industry/aerospace.htm, accessed February, 2000.

⁹ 1999 Annual Industry Review, GAMA, 1999.

¹⁰ General Aviation is, GAMA, 1999.

¹¹ General Aviation is, GAMA, 1999.

¹² American Aviation Access Initiative: Providing All Americans with Access to Air Transportation, National Air Transportation Association.

¹³ American Aviation Access Initiative: Providing All Americans with Access to Air Transportation, National Air Transportation Association.