Montana’s Airports Support Our State

Montana’s airports play an integral role in our transportation system by providing access to destinations within the state, throughout the country, and across the globe. Airports also offer significant economic benefits to our communities by supporting jobs; generating payroll; paying taxes; and triggering spending at local, regional, and state levels.

The importance of airports goes beyond transportation and economics. Airports offer services and other attributes of value that cannot always be easily measured in dollars and cents. Residents and visitors use airports for leisure and business travel, and airports serve as the base for a wide range of critical activities such as wildland firefighting, search and rescue operations, and training for future aviators. Airports are the starting point for aircraft that conduct utility inspections, provide medical evacuation services, and transport staff and executives for business activity.

To better understand the value of Montana’s airports from the perspective of both economics and community benefits, the Montana Department of Transportation (MDT) conducted a comprehensive study of the state’s aviation facilities. The study analyzed the contributions of the Montana airport system, including aviation-related and non-airvation-related businesses, visitor spending, capital expenditures on construction, and additional spin-off (or “multiplier”) effects. The study also examined specific activities and uses at each airport to identify how these facilities support Montana’s residents and visitors.

Methodology

This study expresses the economic benefits of Montana’s airports in terms of jobs, payroll, and total annual economic impact derived from the activities that occur at aviation facilities. Direct impacts include those from on-airport businesses, construction-related activities, and spending from visitors who travel through an airport. Airports host on-airport businesses that serve aircraft or passengers such as:

- Administration
- Military
- Airlines
- Maintenance
- Parking
- Concessions
- Car rental
- General aviation
- Air tours
- Air cargo

Additionally, airside and landside construction projects require continuous investments, many of which are high-dollar, long-term undertakings. Because commercial service and general aviation airports are essential to visitors’ abilities to conduct business or vacation in Montana, airports support the hospitality industry through lodging, restaurant, retail, and entertainment spending.

Airports’ direct impacts also have spin-off effects throughout Montana, as dollars spent at an airport and by visitors off-airport are re-spent locally, regionally, and statewide. Spin-off effects are caused when a portion of direct business revenues are used to purchase goods and services in Montana (i.e., indirect effects) and when the portion of revenues paid as wages to workers are spent within the state (i.e., induced effects).

Combined, direct impacts and spin-off effects compose the total contribution of an individual airport and determine the statewide impact of Montana’s airport system.

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STATEWIDE IMPACTS

Aviation is a vital key to Montana’s economic activity and transportation network. The public-use airports in the state contribute:

- **Jobs:** 23,849
- **Payroll:** $838,510,000
- **Economic Impact:** $2,779,115,000

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Geraldine Airport (5U8) is a small general aviation airport in Geraldine in Chouteau County, Montana. The airport is positioned in central Montana along Highway 80 in a predominantly agricultural region.

With a population of 265, the town is heavily reliant on the farming industry. Aircraft operations at Geraldine Airport are typically limited to agricultural spraying.

**5U8 TOTAL IMPACTS**

- **Jobs:** 2
- **Payroll:** $57,000
- **Economic Impact:** $142,000

**DIRECT ECONOMIC IMPACTS**

- **On-Airport:** $49,000
- **Construction:** $41,000
- **Visitor Spending:** -

**SPIN-OFF ECONOMIC EFFECT**

- **$90,000**