

Loss of Jet Service

In regard to all the recent airport publicity and the Air Service Task Force attempt to bring some facts and figures to public attention, I feel it is important that the general public be made aware of the negative economic impact on Winston-Salem and Forsyth County as a result of the loss of jet service at Smith Reynolds Airport.

First, the loss of jet service has resulted in the direct loss of approximately 75 airline-

related jobs in Winston-Salem and Forsyth County, either by layoff or transfer, and a loss of \$1.2 million in annual salaries. In addition, future employment growth has suffered.

Secondly, in 1980, taxable real and personal property at Smith Reynolds generated annual city and county tax revenue of approximately \$660,000. To the extent that businesses have either shut down or limited employment, city and county tax revenues have also been impacted.

Third, the loss of jet service has cost Forsyth County the loss of \$356,000 in annual federal funds, \$85,000 in annual state funds, not to mention more than \$250,000 in gross sales by airport-related businesses.

Fourth, the loss of jet service has forced approximately 60,000 annual passengers to drive an extra 20 miles and spend an extra 30 minutes (one hour roundtrip) enroute. Using a time value of only \$10 an hour and a driving cost of 20 cents a mile, this translates to an additional drain of \$516,000 annually on Winston-Salem's resources. Thus, the total immediate identifiable negative economic impact on Winston-Salem is in excess of \$2.4 million annually. The effect on the future growth of Winston-Salem is in excess of \$2.4 million annually. The effect of future growth of Winston-Salem and Forsyth, however, is much greater.

During 1980 Forsyth County generated almost \$2 billion in Effective Buying Income, according to Sales and Marketing Management on July 27, 1981. Sales and Marketing Management also estimated that Forsyth County's Effective Buying Income should increase at an 11.4 percent annual rate through 1985. Accordingly, if the loss of jet service has caused only a one percent reduction in that rate, Winston-Salem's economy will find itself \$150 million poorer at the close of 1985 than forecast in 1980.

In conclusion, the value of jet service at Smith Reynolds to the Winston-Salem and Forsyth County economy is much greater than one might realize and that is what all the Task Force fuss is about. Only jet service can reverse the trend; general aviation and private flights alone cannot. And to say otherwise, you're only fooling yourself.

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