Small communities face a range of fundamental economic challenges in obtaining and retaining commercial passenger air service. The smallest of these communities typically lack the population base and level of economic activity that would generate sufficient passenger demand to make them profitable to air carriers. While larger communities in this group may have less difficulty in sustaining a base level of service, they may not be able to attract additional carriers to provide greater choice and lower fares. Smaller communities located near larger airports may also face reduced demand because passengers choose to use the larger airport with lower fares or more choices for flights. These communities also have difficulty because the airline industry is in turmoil, making less profitable operations increasingly vulnerable.

Communities have taken a variety of steps to try to obtain or improve air service, such as marketing to increase passengers’ demand for local service or offering financial incentives to airlines to attract new or enhanced service. At communities GAO studied in depth, financial incentives were most effective in attracting new service. However, the additional service often ceased when incentives ended. Longer-term sustainability may rest on a community’s commitment to making air service a priority.

Source: GAO.

This 34-seat turboprop aircraft is typical of the aircraft used to provide air service to many small communities.