

Oregon & Lane County Travel Impacts 1991-2011p

May 2012

Prepared for the
Oregon Tourism Commission
Salem, Oregon

OREGON TRAVEL IMPACTS, 1991-2011P

STATEWIDE PRELIMINARY ESTIMATES

DETAILED COUNTY ESTIMATES

OVERNIGHT VISITOR VOLUME

May 2012

Prepared for

Oregon Tourism Commission
670 Hawthorne Avenue S.E.
Suite 240
Salem, Oregon 97301
503/986-0000
www.traveloregon.com

Prepared by

Dean Runyan Associates
833 S.W. 11th Avenue, Suite 920
Portland, Oregon 97205
503/226-2973
www.deanrunyan.com

EXECUTIVE SUMMARY

This report provides detailed statewide, regional and county travel impact estimates for Oregon from 1991 to 2011. The report also provides average spending and volume estimates for overnight visitors for most counties. The estimates for 2011 are preliminary. Secondary impacts and travel industry GDP are provided at the state level.

EMPLOYMENT UP DESPITE LITTLE GROWTH IN OREGON TRAVEL SPENDING

The Oregon travel industry exhibited little growth in spending and visitation during 2011. A still weak national economy and higher transportation costs were major contributing factors. More positively, travel-generated employment did increase after two years of declines.

- **Spending.** Statewide travel spending, \$8.8 billion, increased by 2.6 percent. The increase was primarily due to higher room rates and transportation costs.
- **Travel Activity.** Overnight visitor volume was essentially unchanged from 2010. Visitor air travel was up by 0.5 percent, compared to a 2.1 percent increase from 2009 to 2010. Room demand, as measured by Smith Travel Research, increased by 2.1 percent for the year as compared to a 5.9 percent increase from 2009 to 2010.¹
- **Employment.** Preliminary estimates indicate that travel industry employment grew by 1,700 jobs, an increase of 1.9 percent after two years of declining employment. This is consistent with the increase in the average hours worked in the broader leisure and hospitality sector.²
- **Secondary Impacts.** The re-spending of travel-related revenues by businesses and employees supported 41,600 additional jobs outside of the travel industry with \$1.4 billion in earnings in 2011. Most of these jobs were in various professional and business services.
- **GDP.** The Gross Domestic Product of the travel industry was \$3.3 billion in 2011. Overall, the travel industry is one of the three largest export-oriented industries in rural Oregon counties (the other two being agriculture/food processing and logging/wood products).

¹ The Smith Travel Research reports were prepared for the Oregon Tourism Commission. The greater increase in room demand may be a reflection of the Portland Metro area, which generally did perform better than the rest of the state.

² The average hours worked per week increased by 2.4 percent in 2011 in the Oregon leisure and hospitality sector (U.S. Department of Labor Current Employment Survey).

LANE COUNTY TRAVEL IMPACTS AND VISITOR VOLUME

Travel Indicators

Visitor Spending Impacts (2011p)

Amount of Visitor Spending that supports 1 job	\$63,710
Employee Earnings generated by \$100 Visitor Spending	\$29
Local & State Tax Revenues generated by \$100 Visitor Spending	\$4.90

Visitor Volume (2011p)

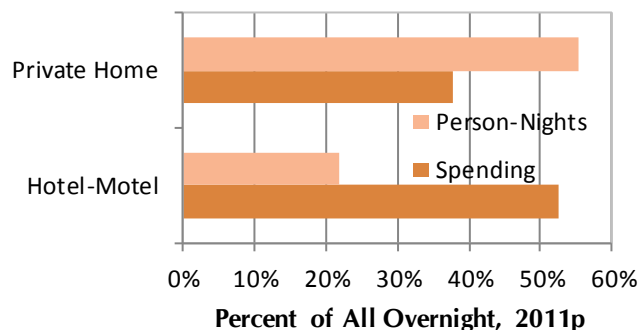
Additional visitor spending if each resident household encouraged one additional overnight visitor (in thousands)	\$22,060
Additional employment if each resident household encouraged one additional overnight visitor	346

Visitor Shares

Travel Share of Total Employment (2010)*	4.5%
Ratio of Overnight Visitors to Resident Population (2011p)	8 :1

*Source: Bureau of Economic Analysis and Bureau of Labor Statistics. Estimates by Dean Runyan Associates.

Overnight Visitor Spending and Volume



Visitors who stay in private homes typically comprise the largest share of overnight visitor volume. Visitors who stay overnight in commercial lodging typically have the greatest economic impact. There is substantial variation among destinations, however. Most rural and suburban areas have high shares of private home visitation. Urban areas tend to have greater shares of hotel/motel stays.

2011p	Person Trips (Thousands)	Person Nights (Thousands)	Visitor Spending (Millions)
Hotel, Motel	959	1,764	\$213.1
Private Home	1,489	4,493	\$153.3
Other Overnight	623	1,864	\$38.5
All Overnight	3,072	8,120	\$404.9

Lane County Travel Trends, 1991-2011p

	Spending (\$Millions)	Earnings (\$Millions)	Employment	Tax Receipts (\$Thousands)		
				Local	State	Total
1991	365.1	89.3	7,930	2,279	9,041	11,320
1992	383.1	92.4	7,650	2,497	9,698	12,195
1993	412.8	97.7	7,800	3,680	10,348	14,027
1994	423.1	101.4	7,890	4,100	10,773	14,873
1995	434.8	105.6	7,850	4,326	11,051	15,376
1996	455.8	109.9	7,900	4,597	11,216	15,813
1997	467.0	113.4	7,730	4,786	11,368	16,154
1998	469.9	116.7	7,870	4,909	11,473	16,382
1999	481.1	118.4	7,660	5,051	11,594	16,645
2000	512.3	122.5	7,790	5,168	12,163	17,331
2001	516.7	124.9	7,960	5,195	12,274	17,469
2002	527.8	129.7	8,080	5,461	12,417	17,878
2003	521.0	128.6	7,860	5,312	12,525	17,837
2004	558.2	134.9	8,070	5,651	13,629	19,281
2005	596.1	142.7	8,270	6,543	14,394	20,937
2006	645.8	149.7	8,420	7,195	15,110	22,305
2007	663.7	161.8	8,970	7,687	15,874	23,561
2008	694.5	170.1	9,360	7,980	16,545	24,525
2009	661.8	157.8	8,550	7,454	15,125	22,579
2010	704.3	157.8	8,500	7,387	15,497	22,885
2011p	701.4	165.9	8,750	7,823	18,699	26,522
Annual Percentage Change						
10-11p	-0.4%	5.1%	2.9%	5.9%	20.7%	15.9%
91-11p	3.3%	3.1%	0.5%	6.4%	3.7%	4.3%

Notes: Spending includes visitor spending and other travel spending (travel agencies and transportation to other Oregon destinations). Earnings include wage and salary disbursements, benefits and proprietor income. Employment includes full- and part-time payroll employees and proprietors. These direct travel impacts do not include secondary (indirect and induced) impacts. The multiple year percentage change refers to the average annual change.

East Lane County Travel Trends, 1991-2011p

	Spending (\$Millions)	Earnings (\$Millions)	Employment	Tax Receipts (\$Thousands)		
				Local	State	Total
1991	308.3	73.8	6,420	2,153	7,799	9,952
1992	324.2	76.2	6,200	2,361	8,389	10,749
1993	352.3	81.2	6,360	3,530	8,994	12,523
1994	359.8	84.0	6,420	3,930	9,354	13,283
1995	366.7	86.8	6,320	4,118	9,544	13,662
1996	385.3	90.4	6,370	4,362	9,686	14,048
1997	394.9	93.4	6,250	4,547	9,824	14,371
1998	395.5	95.8	6,370	4,664	9,885	14,549
1999	406.7	97.6	6,230	4,798	10,019	14,817
2000	430.6	100.0	6,340	4,906	10,445	15,351
2001	432.4	101.8	6,470	4,938	10,519	15,458
2002	440.7	105.8	6,570	5,197	10,640	15,837
2003	434.6	105.1	6,400	5,065	10,753	15,818
2004	467.3	110.2	6,570	5,375	11,716	17,091
2005	501.0	117.0	6,750	6,223	12,397	18,620
2006	550.2	123.8	6,920	6,848	13,102	19,950
2007	557.1	131.1	7,210	7,303	13,582	20,885
2008	594.0	140.4	7,700	7,630	14,345	21,975
2009	564.6	128.4	6,930	6,936	12,996	19,932
2010	605.1	129.0	6,930	6,784	13,384	20,168
2011p	602.4	136.8	7,200	7,208	16,353	23,561
Annual Percentage Change						
10-11p	-0.4%	6.0%	3.8%	6.3%	22.2%	16.8%
91-11p	3.4%	3.1%	0.6%	6.2%	3.8%	4.4%

Notes: Spending includes visitor spending and other travel spending (travel agencies and transportation to other Oregon destinations). Earnings include wage and salary disbursements, benefits and proprietor income. Employment includes full- and part-time payroll employees and proprietors. These direct travel impacts do not include secondary (indirect and induced) impacts. The multiple year percentage change refers to the average annual change.

West Lane County Travel Trends, 1991-2011p

	Spending (\$Millions)	Earnings (\$Millions)	Employment	Tax Receipts (\$Thousands)		
				Local	State	Total
1991	56.8	15.6	1,510	126	1,242	1,368
1992	58.9	16.1	1,450	137	1,310	1,446
1993	60.5	16.5	1,440	150	1,354	1,504
1994	63.3	17.4	1,480	170	1,419	1,589
1995	68.1	18.8	1,530	207	1,507	1,714
1996	70.5	19.5	1,530	235	1,530	1,765
1997	72.1	20.0	1,490	239	1,544	1,784
1998	74.4	20.9	1,490	245	1,587	1,833
1999	74.4	20.8	1,430	253	1,575	1,828
2000	81.7	22.5	1,450	262	1,718	1,980
2001	84.2	23.0	1,490	256	1,755	2,011
2002	87.1	23.9	1,510	264	1,777	2,042
2003	86.5	23.5	1,460	247	1,771	2,019
2004	90.9	24.7	1,510	276	1,913	2,190
2005	95.2	25.8	1,520	321	1,997	2,317
2006	95.5	25.9	1,500	347	2,008	2,355
2007	106.6	30.7	1,750	384	2,292	2,676
2008	100.5	29.7	1,670	350	2,200	2,549
2009	97.2	29.5	1,610	518	2,130	2,647
2010	99.2	28.8	1,570	603	2,114	2,717
2011p	99.0	29.1	1,560	615	2,346	2,961
Annual Percentage Change						
10-11p	-0.2%	1.0%	-0.9%	1.9%	11.0%	9.0%
91-11p	2.8%	3.2%	0.2%	8.2%	3.2%	3.9%

Notes: Spending includes visitor spending and other travel spending (travel agencies and transportation to other Oregon destinations). Earnings include wage and salary disbursements, benefits and proprietor income. Employment includes full- and part-time payroll employees and proprietors. These direct travel impacts do not include secondary (indirect and induced) impacts. The multiple year percentage change refers to the average annual change.

**Lane County
Travel Impacts, 2002-2011p**

	2002	2004	2006	2008	2009	2010	2011p
Total Direct Travel Spending (\$Million)							
Destination Spending	439.2	459.1	507.1	547.1	499.8	524.1	543.2
Other Travel*	88.7	99.1	138.7	147.4	161.9	180.2	158.2
Total Direct Spending	527.8	558.2	645.8	694.5	661.8	704.3	701.4
Visitor Spending by Commodity Purchased (\$Million)							
Accommodations	64.0	68.0	82.0	94.5	83.6	87.0	90.8
Food Service	117.7	123.4	135.8	145.3	140.2	146.4	149.3
Food Stores	46.3	48.4	49.5	56.1	53.7	54.7	56.8
Local Tran. & Gas	38.8	47.9	61.8	75.2	55.3	63.9	73.7
Arts, Ent. & Rec.	84.7	87.0	90.5	91.8	86.4	88.1	88.1
Retail Sales	87.5	84.4	87.4	84.3	80.7	84.0	84.5
Destination Spending	439.2	459.1	507.1	547.1	499.8	524.1	543.2
Industry Earnings Generated by Travel Spending (\$Million)							
Accom. & Food Serv.	78.4	82.4	92.8	106.5	100.5	101.1	106.5
Arts, Ent. & Rec.	24.8	25.0	26.5	31.4	29.3	29.0	30.4
Retail**	15.6	16.3	16.8	18.6	17.6	17.8	18.6
Ground Tran.	2.8	2.9	3.1	3.4	3.3	3.1	3.3
Other Travel*	8.2	8.4	10.5	10.2	7.2	6.8	7.0
Total Direct Earnings	129.7	134.9	149.7	170.1	157.8	157.8	165.9
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	4,440	4,440	4,620	5,070	4,690	4,660	4,810
Arts, Ent. & Rec.	2,430	2,370	2,480	2,930	2,710	2,730	2,810
Retail**	790	790	780	850	780	780	790
Ground Tran.	120	120	120	130	120	110	110
Other Travel*	300	350	420	390	250	230	220
Total Direct Employment	8,080	8,070	8,420	9,360	8,550	8,500	8,750
Government Revenue Generated by Travel Spending (\$Million)							
Local Tax Receipts	5.5	5.7	7.2	8.0	7.5	7.4	7.8
State Tax Receipts	12.4	13.6	15.1	16.5	15.1	15.5	18.7
Total Local & State	17.9	19.3	22.3	24.5	22.6	22.9	26.5

Details may not add to totals due to rounding.

*Other Travel includes resident air travel and ground transportation impacts for travel to other Oregon visitor destinations, and travel agencies. **Retail includes gasoline.

Lane County Visitor Spending and Visitor Volume

Visitor Spending by Type of Traveler Accommodation (\$Million), 2002-2011p

	2002	2004	2006	2008	2009	2010	2011p
All Overnight	304.2	319.5	358.7	409.1	369.1	388.4	404.9
Hotel, Motel	152.0	162.6	193.2	222.3	191.1	202.0	213.1
Private Home	118.6	125.7	135.4	147.9	140.2	148.7	153.3
Other Overnight	33.6	31.2	30.1	39.0	37.8	37.7	38.5
Campground	30.0	27.3	25.9	34.3	33.3	33.0	33.6
Vacation Home	3.6	3.9	4.2	4.7	4.5	4.6	4.9
Day Travel	134.9	139.6	148.4	138.1	130.7	135.7	138.3
Spending at Destination	439.2	459.1	507.1	547.1	499.8	524.1	543.2

Average Expenditures for Overnight Visitors, 2011p

	Travel Party		Person		Party Size	Length of Stay (nights)
	Day	Trip	Day	Trip		
Hotel, Motel	\$289	\$536	\$121	\$222	2.4	1.9
Private Home	\$86	\$264	\$34	\$103	2.5	3.1
Other Overnight	\$70	\$208	\$21	\$62	3.4	3.0
All Overnight	\$132	\$348	\$50	\$132	2.7	2.6

Overnight Visitor Volume, 2009-2011p

	Person-Nights (000)			Party-Nights (000)		
	2009	2010	2011	2009	2010	2011
Hotel, Motel	1,687	1,747	1,764	709	736	738
Private Home	4,322	4,490	4,493	1,717	1,789	1,774
Other Overnight	1,928	1,898	1,864	570	561	551
All Overnight	7,937	8,134	8,120	2,996	3,086	3,063

	Person-Trips (000)			Party-Trips (000)		
	2009	2010	2011	2009	2010	2011
Hotel, Motel	920	952	959	383	397	398
Private Home	1,433	1,489	1,489	561	584	581
Other Overnight	644	634	623	191	188	185
All Overnight	2,996	3,075	3,072	1,135	1,169	1,164