

**The Economic Impact
of Travel on
Louisiana Parishes
2002**

A Study Prepared for the
Louisiana Office of Tourism
by the
Research Department of the
Travel Industry Association of America
Washington, D.C.
January 2004

PREFACE

This study was conducted by the research department of the Travel Industry Association of America (TIA) for the Louisiana Office of Tourism. The study provides preliminary 2002 and revised 2001 estimates of domestic and international traveler expenditures in Louisiana, as well as the employment, payroll income, and federal, state and local tax revenue directly generated by these expenditures.

Additionally, this study provides estimates by parish for domestic travel expenditures and employment, payroll income, and state and local tax revenue directly generated by domestic expenditures.

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INTRODUCTION

This report presents preliminary 2002 and revised 2001 estimates of the impact of U.S. resident and international traveler spending in Louisiana, as well as the employment, payroll income and tax revenue directly generated by this spending. These estimates are produced through the County/City Travel Economic Impact Model, a computerized economic model producing estimates of travel spending at the county level, and its impact on employment, wage and salary (payroll) income and federal, state and local tax revenues.

The County/City Travel Economic Impact Model is an extension of TIA's Travel Economic Impact Model (TEIM) initially developed in 1975 for the U.S. Department of the Interior to indicate the economic value of travel and tourism to states and parishes. The original TEIM has been revised substantially based upon more accurate and targeted input data available from governments and the private sector.

This year, enhancements to the model include revisions to travel generated airline employment and payroll estimates. In past years, the employment and payroll data encompassed the entire air transportation industry. With the rapid increase in the air courier business, its share of the airline industry became much larger than before. At the same time, more reliable and detailed air courier employment and payroll data are now available from the government. Accordingly, adjustments have been made to the model to more accurately reflect the situation of employment and payroll in the air passenger sub-sector.

The TEIM is based upon national travel surveys conducted by TIA and expenditure data developed by the Bureau of the Census, TIA, various federal agencies and national travel organizations each year. A description of the TEIM and the county impact model is provided in Appendix A. The following estimates of travel's economic impact in Louisiana are based upon the most recent version of the TEIM and data available from the U.S. Census Bureau and other sources, including international visitor statistics from OTTI/ITA, U.S. Department of Commerce.

U.S. residents traveling in Louisiana includes both state residents and out-of-state visitors traveling away from home overnight in paid accommodations, or on day trips to places 50 miles or more away from home during 2002. Travel commuting to and from work; travel by those operating an airplane, bus, truck, train or other form of common carrier transportation; military travel on active duty; and travel by students away at school, are all excluded from the model. In addition, the payroll and employment estimates represent impact generated in the private sector and exclude public-supported payroll and employment.

Since additional data relating to travel and its economic impact in 2002 will become available subsequent to this study, TIA reserves the right to revise these estimates in the future.

EXECUTIVE SUMMARY

- Domestic and international travelers directly spent over \$9 billion in Louisiana during 2002, a 0.1 percent decrease from 2001.
- Domestic and international travel-generated employees earned more than \$1.9 billion in wage and salary income during 2002, down 0.4 percent compared to 2001.
- Domestic and international travel spending directly generated 117.3 thousand jobs within Louisiana in 2002, down 2.2 percent from 2001.
- On average, every \$77,162 spent in Louisiana by domestic and international travelers generated one job in 2002.
- Without these jobs, Louisiana 2002 unemployment rate would have been 12 percent, or 5.9 percent higher than it was.
- Domestic and international traveler spending in Louisiana directly generated nearly \$1.2 billion in tax revenue for federal, state and local governments in 2002, down 0.8 percent from 2001.

2002 U.S. ECONOMY AND TRAVEL INDUSTRY OVERVIEW

In the aftermath of the most difficult year in its history, the U.S. travel industry had hoped for a strong rebound in 2002. When this failed to materialize, the entire industry found itself in the middle of a protracted struggle to maintain ground. Ongoing concerns about further terrorist attacks, coupled with slow economic growth, worked against prospects for near-term recovery.

Although the U.S. economy experienced a recession in 2002 with three consecutive quarters of decline in real GDP, there were some encouraging signs in early 2002. First quarter 2002 real GDP reached 5.0 percent, the largest quarterly increase since fourth quarter 1999. However, the rate of growth subsequently slowed and real GDP increased just 2.4 percent for the year. In 2002, more than 1.8 million jobs in private sector disappeared, the largest annual decline since 1975. Reflecting the economy's overall weakness, the national unemployment rate hit 5.8 percent.

U.S. Travel Volume in 2002

Domestic person-trips by U.S. travelers remained relatively flat in 2002 at 1.02 billion person-trips (a 0.3% increase over 2001). Following the economic trends, first quarter travel volume was strong (+3.1% over 2001) but weakened beginning in the second quarter and remained stagnant for the remainder of the year.

Despite economic concerns and fears about terrorism, pleasure person-trips grew by 1.9 percent in 2002. As with overall travel, the strength in leisure travel was largely seen in the first quarter (+6% over 2001), before weakening and remaining subdued in the waning months of the year. The weak economy and concerns about war in Iraq contributed to a significant reduction in business person-trips in 2002. Business travel volume was down 5.5 percent for the year. In fact, 2002 marked the fourth consecutive annual decline in business person-trips. Air travel continued a second year of decline, dropping 8 percent in person-trip volume from the already depressed volumes seen in 2001.

Travel Expenditures in 2002

Travel expenditures in the U.S. declined for the second consecutive year in 2002. Total domestic and international travel expenditures were off 2.4 percent in 2002. Compared to the peak level in 2000, this represents a 7.4 percent decline in total travel expenditures.

The declines in business travel and air travel continued to affect travel spending in 2002. Domestic travel expenditures decreased to \$462.0 billion, a 1.6 percent drop from 2001. International travel spending was hit even harder, down 7.5 percent from 2001, reflecting the lingering impact of the 9/11 terrorist attacks on international travel to the U.S. According to the U.S. Department of Commerce, international arrivals to the United States in 2002 decreased 6.7 percent from 2001. U.S. international travel receipts decreased \$5.4 billion from 2001 (excluding international passenger fares).

Due to ongoing declines in airfares and lodging prices from reduced demand, travel costs, as measured by TIA's Travel Price Index (TPI), fell 0.3 percent in 2002, the first annual decline in

the last decade. This stands in marked contrast to overall inflation as measured by the Consumer Price Index (CPI-U), which rose 1.6 percent in 2002.

Travel Employment in 2002

The private sector of the U.S. economy experienced severe cuts in employment starting in the last quarter of 2001. According to the estimates of the Bureau of Labor Statistics, about 1.7 million jobs were lost between September 2001 and December 2002. The national unemployment rate hit 5.8 percent in 2002.

The travel-related employment situation was even worse. Total U.S. employment generated by travel fell 4.2 percent in 2002. In fact, from September 2001 to December 2002, it is estimated that 378,000 travel industry jobs disappeared -- accounting for nearly 23 percent of all private sector jobs lost. Before 9/11, travel-related jobs comprised 6 percent of all private industry employment. The impact on the travel industry was therefore far more severe.

Substantial layoffs started to occur immediately after September 11, 2001 in most travel related sectors, including the airline, travel planning and lodging industries, and continued on a grander scale throughout 2002. Several other travel industry sectors, including amusement and recreation services and retail, which had laid off relatively few workers in late 2001, were forced to downsize considerably during 2002. Compared to 2001, employment was down 4.6 percent in the amusement/recreation industry and 3.4 percent in the travel-related retail sector.

Looking ahead to 2003, TIA forecasts that domestic travel volume will increase slightly while domestic travel spending is expected to decline somewhat. International traveler spending in the U.S. is not expected to return to the record-breaking level attained in 2000 until at least 2004.

Direct Travel Impact on the United States in 2002 (Preliminary)

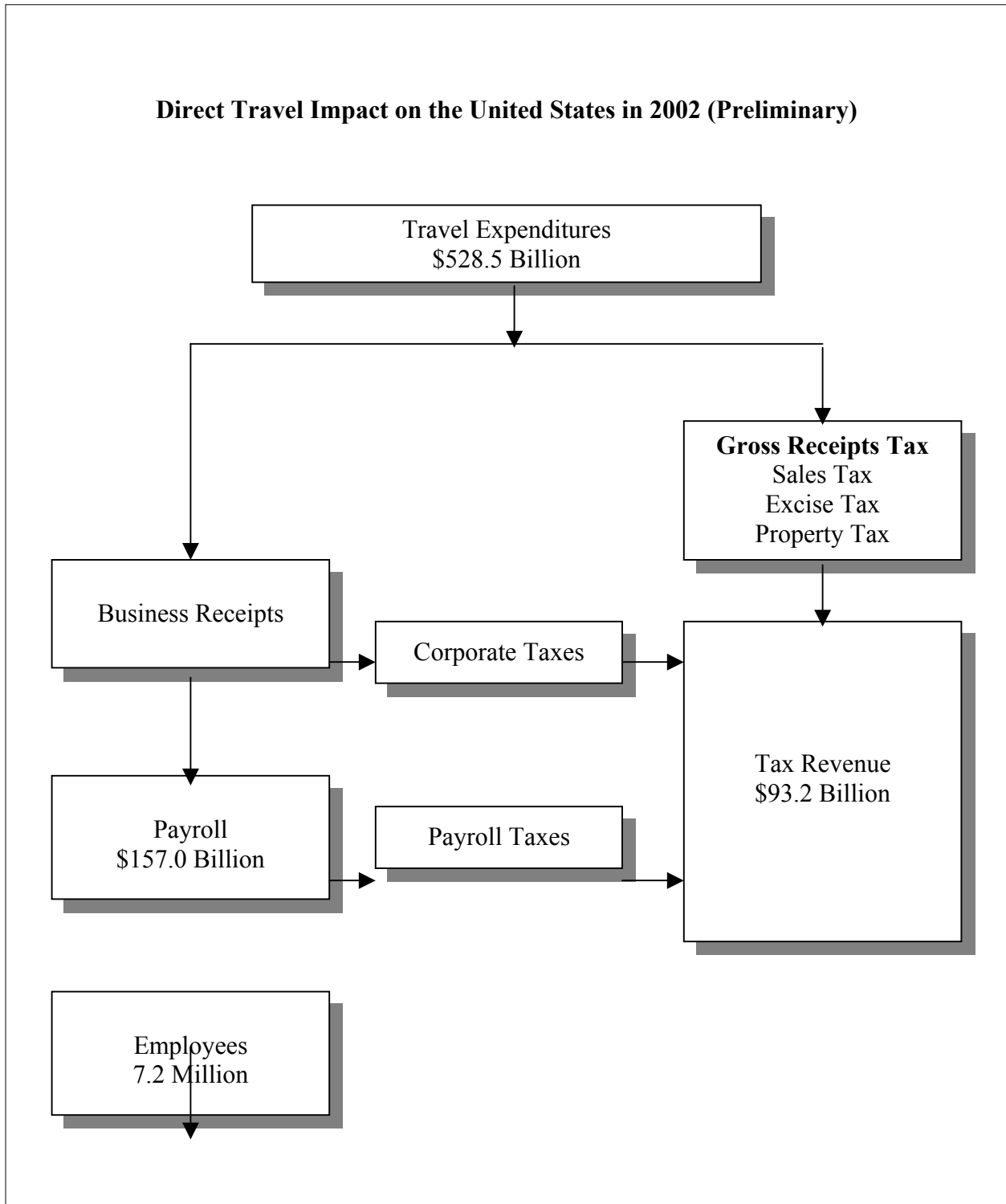


Table 1: Overall U.S. Economic Developments, 2000-2002

| <u>Sector</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> |
|---|-------------|-------------|-------------|
| Nominal gross domestic product (\$ billions) | \$9,824.6 | \$10,082.2 | \$10,446.2 |
| Real gross domestic product (\$ billions)* | \$9,191.4 | \$9,214.5 | \$9,439.9 |
| Total retail sales (\$ billions) | \$3,059.1 | \$3,167.8 | \$3,265.9 |
| Real disposable personal income (\$ billions)* | \$6,630.3 | \$6,748.0 | \$7,036.8 |
| Real personal consumption expenditures (\$ billions)* | \$6,223.9 | \$6,377.2 | \$6,576.0 |
| Consumer price index | 173.6 | 177.5 | 180.9 |
| Non-farm payroll employment (millions) | 131.7 | 131.9 | 130.8 |
| Unemployment rate | 4.0 | 4.8 | 5.8 |

Percentage change from previous year

| | | | |
|--|------|------|-------|
| Nominal gross domestic product | 5.9% | 2.6% | 3.6% |
| Real gross domestic product | 3.8% | 0.3% | 2.4% |
| Total retail sales | 6.7% | 3.6% | 3.1% |
| Real disposable personal income | 4.8% | 1.8% | 4.3% |
| Real personal consumption expenditures | 4.3% | 2.5% | 3.1% |
| Consumer price index | 3.5% | 2.2% | 1.9% |
| Non-farm payroll employment | 2.2% | 0.2% | -0.9% |

Sources: U.S. Dept. of Commerce, U.S. Dept. of Labor

* In billions of chained 1996 dollars

Table 2: Travel Trends, 2000-2002

| <u>Category</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> |
|---|-------------|-------------|-------------|
| Total U.S. resident person-trips (millions) | 997.6 | 1,017.8 | 1,021.3 |
| Total international visitors (millions) | 50.9 | 44.9 | 41.9 |
| U.S. travel expenditures (\$ billions) | \$488.2 | \$469.5 | \$462.0 |
| International travel expenditures in the U.S.* (\$ billions) | \$82.4 | \$71.9 | \$66.5 |
| Travel price index | 194.8 | 196.9 | 196.3 |
| Travel-generated employment** (thousands) | 7,569 | 7,482 | 7,166 |

Percentage change from previous year

| | | | |
|---|-------|--------|-------|
| Total U.S. resident person-trips | 1.0% | 2.0% | 0.3% |
| Total international visitors | 5.1% | -11.9% | -6.7% |
| U.S. travel expenditures | 6.7% | -3.8% | -1.6% |
| International travel expenditures in the U.S. * | 10.2% | -12.7% | -7.5% |
| Travel price index | 6.1% | 1.1% | -0.3% |
| Travel-generated employment** | 2.9% | -1.1% | -4.2% |

Sources: TIA, OTTI/ITA

Notes: * Includes spending within the U.S. only.

** Excludes air courier business related employment..

TRAVEL IMPACT ON LOUISIANA - 2002

Travel Expenditures

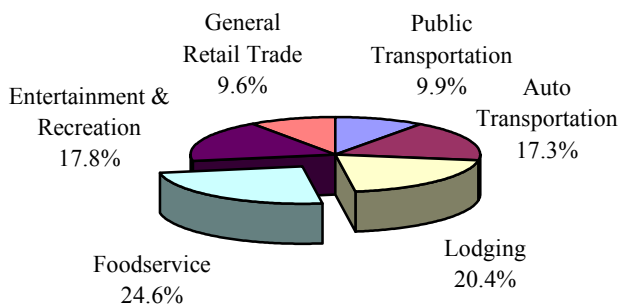
Domestic and international travelers in Louisiana spent more than \$9 billion on transportation, lodging, food, entertainment and recreation and incidentals during 2002, down 0.1 percent from 2001. Compared to the nation as a whole, the state's travel industry remained stable in 2002.

Domestic and international traveler spending on foodservice was the largest expenditure category, totaling more than \$2.2 billion, 24.6 percent of the state total. This represented an increase of 2.3 percent from 2001.

The lodging industry followed foodservice with more than \$1.8 billion during 2002, 20.4 percent of the state total. Because domestic spending on lodging was relatively strong, even though international spending was down dramatically, overall spending in this category rose 0.6 percent.

Public transportation spending decreased 8.6 percent, largely as a result of declining air travel in 2002. In contrast, auto travel was up 1.5 percent, perhaps a reflection of an increased preference for driving destinations.

**Travel Expenditures in Louisiana
by Industry Sector, 2002**



1. Foodservice sector includes restaurants, grocery stores and other eating and drinking establishments.
2. Lodging sector consists of hotels and motels, campgrounds, and ownership or rental of vacation or second homes.
3. Public transportation sector comprises air, intercity bus, rail, boat or ship, and taxicab or limousine service.
4. Auto transportation sector includes privately-owned vehicles that are used for trips (e.g., automobiles, trucks, campers or other recreational vehicles), gasoline stations, and automotive rental.
5. General retail trade sector includes gifts, clothes, souvenirs, and other incidental retail purchases.
6. Entertainment and recreation sector includes such items as golf, skiing and gaming.

Travel Expenditures

Table 3: Travel Expenditures in Louisiana by Industry Sector, 2001-2002

| <i>2002 Expenditures</i> | Domestic <i>(\$ millions)</i> | International <i>(\$ millions)</i> | Total <i>(\$ millions)</i> | % of Total |
|---|---|--|--------------------------------------|-------------------|
| Public Transportation | \$841.0 | \$60.4 | \$901.4 | 9.9% |
| Auto Transportation | 1,568.3 | 5.3 | 1,573.6 | 17.3% |
| Lodging | 1,695.2 | 154.5 | 1,849.8 | 20.4% |
| Foodservice | 2,145.4 | 87.2 | 2,232.6 | 24.6% |
| Entertainment & Recreation | 1,574.2 | 43.5 | 1,617.7 | 17.8% |
| General Retail Trade | 782.9 | 91.4 | 874.3 | 9.6% |
| Total* | \$8,607.0 | \$442.4 | \$9,049.4 | 100.0% |
| <i>2001 Expenditures</i> | | | | |
| Public Transportation | \$906.8 | \$78.9 | \$985.7 | 10.8% |
| Auto Transportation | 1,542.7 | 7.1 | 1,549.8 | 17.1% |
| Lodging | 1,641.1 | 198.2 | 1,839.3 | 20.3% |
| Foodservice | 2,074.1 | 107.9 | 2,182.0 | 24.1% |
| Entertainment & Recreation | 1,559.1 | 54.4 | 1,613.4 | 17.8% |
| General Retail Trade | 766.7 | 119.3 | 886.0 | 9.7% |
| Total* | \$8,490.5 | \$565.7 | \$9,056.3 | 100.0% |
| <i>Percentage change 2002 over 2001</i> | | | | |
| Public Transportation | -7.3% | -23.5% | -8.6% | |
| Auto Transportation | 1.7% | -24.4% | 1.5% | |
| Lodging | 3.3% | -22.1% | 0.6% | |
| Foodservice | 3.4% | -19.2% | 2.3% | |
| Entertainment & Recreation | 1.0% | -19.9% | 0.3% | |
| General Retail Trade | 2.1% | -23.4% | -1.3% | |
| Total* | 1.4% | -21.8% | -0.1% | |

Source: TIA

Note: * Total domestic expenditures and percent change from previous year may not match those in parish tables due to rounding.

TRAVEL IMPACT ON LOUISIANA – 2002

Travel-Generated Payroll

Travel-generated payroll is the wage and salary income paid to employees directly serving travelers within the industry sectors from which these travelers purchase goods and services. One dollar of travel spending generates different amounts of payroll income within the various travel industry sectors depending on the labor content and the wage structure of each sector.

Payroll (wages and salaries) paid by Louisiana travel-related firms and directly attributable to domestic and international traveler spending totaled more than \$1.9 billion in 2002, down 0.4 percent from 2001.

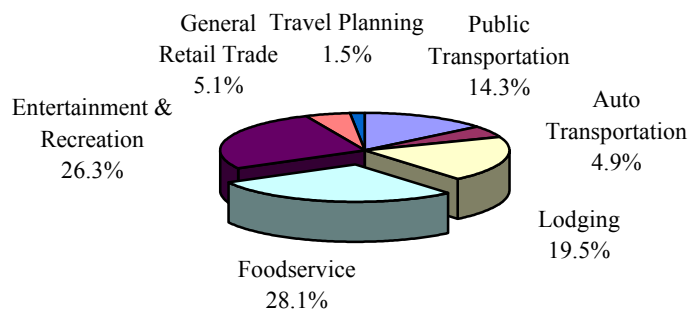
On average, every dollar spent by domestic and international travelers produced more than 21 cents in wage and salary income for Louisiana residents during 2002.

The foodservice industry posted the largest payroll generated by domestic and international traveler spending at \$544.1 million, up 1.7 percent, a reflection of increased domestic spending leading to higher employment in this sector.

Payroll in the entertainment & recreation sector ranked second with \$509.0 million, up 0.9 percent from 2001, due in part to increased spending on gaming.

The lodging sector followed entertainment & recreation with \$378.1 million, down 1.9 percent from 2001, in large part the result of a decline in international visitors.

**Travel-Generated Payroll in Louisiana
by Industry Sector, 2002**



Travel-Generated Payroll

Table 4: Travel-Generated Payroll in Louisiana by Industry Sector, 2001-2002

| 2002 Payroll | Domestic (\$ millions) | International (\$ millions) | Total (\$ millions) | % of Total |
|---|-----------------------------------|--|--------------------------------|-------------------|
| Public Transportation | \$251.0 | \$25.0 | \$276.1 | 14.3% |
| Auto Transportation | 95.0 | 0.3 | 95.3 | 4.9% |
| Lodging | 347.5 | 30.6 | 378.1 | 19.5% |
| Foodservice | 523.9 | 20.2 | 544.1 | 28.1% |
| Entertainment & Recreation | 495.0 | 14.0 | 509.0 | 26.3% |
| General Retail Trade | 88.4 | 10.1 | 98.5 | 5.1% |
| Travel Planning* | 29.6 | 0.0 | 29.6 | 1.5% |
| Total** | \$1,830.5 | \$100.2 | \$1,930.7 | 100.0% |
| 2001 Payroll | | | | |
| Public Transportation | \$252.1 | \$30.5 | \$282.6 | 14.6% |
| Auto Transportation | 98.7 | 0.4 | 99.1 | 5.1% |
| Lodging | 345.2 | 40.3 | 385.5 | 19.9% |
| Foodservice | 509.8 | 25.2 | 535.0 | 27.7% |
| Entertainment & Recreation | 487.2 | 17.4 | 504.6 | 26.1% |
| General Retail Trade | 86.5 | 13.1 | 99.6 | 5.1% |
| Travel Planning* | 32.7 | 0.0 | 32.7 | 1.6% |
| Total ** | \$1,812.2 | \$126.8 | \$1,939.0 | 100.0% |
| Percentage change 2002 over 2001 | | | | |
| Public Transportation | -0.4% | -17.8% | -2.3% | |
| Auto Transportation | -3.7% | -28.4% | -3.8% | |
| Lodging | 0.7% | -24.1% | -1.9% | |
| Foodservice | 2.8% | -19.7% | 1.7% | |
| Entertainment & Recreation | 1.6% | -19.4% | 0.9% | |
| General Retail Trade | 2.2% | -23.3% | -1.1% | |
| Travel Planning* | -9.4% | N/A | -9.4% | |
| Total** | 1.0% | -21.0% | -0.4% | |

Source: TIA

Notes: *Refers to payroll income that goes to travel agents, tour operators, and other travel service employees who arrange passenger transportation, lodging, tours and other related services; ** Total domestic payroll and percent change from previous year may not match those in parish tables due to rounding.

TRAVEL IMPACT ON LOUISIANA - 2002

Travel-Generated Employment

Travel and tourism have been important to the Louisiana economy due to the large number of businesses and jobs supported. These jobs include a large number of executive and managerial positions, as well as service-oriented occupations.

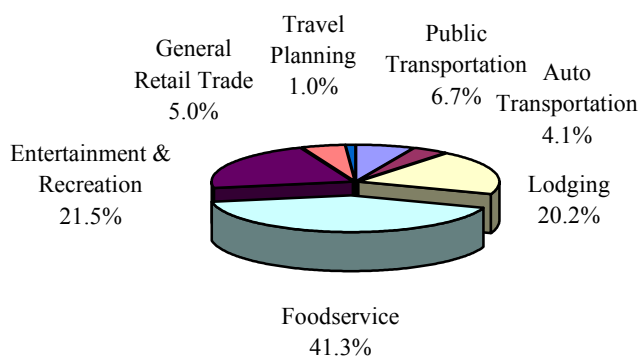
During 2002, domestic and international traveler spending in Louisiana generated 117.3 thousand jobs, down 2.2 percent from 2001. On average, every \$77,162 spent by domestic and international travelers in Louisiana directly supported one job in 2002.

It is important to note that these 117.3 thousand travel-related jobs composed 6.2 percent of total non-agricultural employment in Louisiana during 2002. Without these jobs generated by domestic and international travel, Louisiana's 2002 unemployment rate of 6.1 percent would have been 5.9 percentage points higher than it was, or 12 percent of the labor force.

The foodservice sector, including restaurants and other eating and drinking places, provided more jobs than any other industry sector, accounting for 48.4 thousand jobs, 41.3 percent of the state total. The labor-intensiveness of these businesses and the large proportion of travel expenditures spent on food service contribute to the importance of this sector.

Public transportation experienced a significant decline in employment in 2002, down 6.7 percent. This reflects ongoing layoffs in the airline industry since the 2001 terrorist attacks.

**Travel-Generated Employment in Louisiana
by Industry Sector, 2002**



Travel-Generated Employment

Table 5: Travel-Generated Employment in Louisiana by Industry Sector, 2001-2002

| <i>2002 Employment</i> | Domestic <i>(thousands)</i> | International <i>(thousands)</i> | Total <i>(thousands)</i> | % of Total |
|---|---------------------------------------|--|------------------------------------|-------------------|
| Public Transportation | 7.1 | 0.7 | 7.9 | 6.7% |
| Auto Transportation | 4.8 | 0.0 | 4.8 | 4.1% |
| Lodging | 21.8 | 1.9 | 23.7 | 20.2% |
| Foodservice | 46.7 | 1.8 | 48.4 | 41.3% |
| Entertainment & Recreation | 24.6 | 0.7 | 25.3 | 21.5% |
| General Retail Trade | 5.3 | 0.6 | 5.9 | 5.0% |
| Travel Planning* | 1.3 | 0.0 | 1.3 | 1.0% |
| Total** | 111.6 | 5.7 | 117.3 | 100.0% |
| <i>2001 Employment</i> | | | | |
| Public Transportation | 7.5 | 0.9 | 8.4 | 7.0% |
| Auto Transportation | 4.8 | 0.0 | 4.8 | 4.0% |
| Lodging | 21.8 | 2.6 | 24.4 | 20.3% |
| Foodservice | 46.5 | 2.3 | 48.8 | 40.7% |
| Entertainment & Recreation | 25.0 | 0.9 | 25.9 | 21.5% |
| General Retail Trade | 5.4 | 0.8 | 6.2 | 5.1% |
| Travel Planning* | 1.4 | 0.0 | 1.4 | 1.1% |
| Total** | 112.5 | 7.4 | 119.9 | 100.0% |
| <i>Percentage change 2002 over 2001</i> | | | | |
| Public Transportation | -4.9% | -21.5% | -6.7% | |
| Auto Transportation | -0.4% | -25.9% | -0.5% | |
| Lodging | -0.2% | -24.7% | -2.8% | |
| Foodservice | 0.3% | -21.6% | -0.7% | |
| Entertainment & Recreation | -1.5% | -21.9% | -2.2% | |
| General Retail Trade | -0.7% | -25.5% | -3.9% | |
| Travel Planning* | -12.1% | N/A | -12.1% | |
| Total** | -0.8% | -23.1% | -2.2% | |

Source: TIA

Notes: * Refers to jobs created in travel arrangement firms such as travel agencies, wholesale and retail tour companies, and other travel-related service businesses; ** Total domestic employment and percent change from previous year may not match those in parish tables due to rounding.

TRAVEL IMPACT ON LOUISIANA - 2002

Travel-Generated Tax Revenue

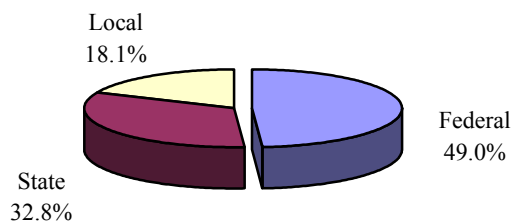
Travel tax receipts are the federal, state and local tax revenues attributable to travel spending in Louisiana. Travel-generated tax revenue is a significant economic benefit, as governments use these funds to support the travel infrastructure and help support a variety of public programs.

Domestic and international traveler spending in Louisiana generated \$587.8 million for the federal government during 2002, down 2.0 percent from 2001, mainly due to lower spending on air travel. This represented 49 percent of all travel-generated tax collections in the state. Each dollar spent by domestic and international travelers in Louisiana produced 6.5 cents for federal tax coffers.

Domestic and international traveler spending in Louisiana also generated \$393.8 million in tax revenue for the state treasury through state sales and excise taxes, and taxes on personal and corporate income, up 0.3 percent from 2001. This comprised 32.8 percent of all travel-generated tax revenue for 2002 collected in the state. On average, each travel dollar produced 4.4 cents in state tax receipts.

Local governments in Louisiana directly benefited from travel as well. During 2002, domestic and international traveler spending generated \$217.8 million in sales and property tax revenue for localities, 18.1 percent of total travel-generated tax revenue in the state. Each travel dollar produced about 2.4 cents for local tax coffers.

**Travel-Generated Tax Revenue in Louisiana
by Level of Government, 2002**



Travel-Generated Tax Revenue

Table 6: Travel-Generated Tax Revenue in Louisiana by Level of Government, 2001-2002

| <i>2002 Tax Revenue</i> | Domestic (\$ millions) | International (\$ millions) | Total (\$ millions) | % of Total |
|---|---|--|--------------------------------------|-------------------|
| Federal | \$557.0 | \$30.8 | \$587.8 | 49.0% |
| State | 374.3 | 19.5 | 393.8 | 32.8% |
| Local | 207.2 | 10.6 | 217.8 | 18.1% |
| Total | \$1,138.5 | \$60.9 | \$1,199.4 | 100.0% |
| <i>2001 Tax Revenue</i> | | | | |
| Federal | \$560.4 | \$39.5 | \$599.8 | 49.6% |
| State | 367.7 | 24.8 | 392.5 | 32.4% |
| Local | 203.3 | 13.5 | 216.9 | 17.9% |
| Total | \$1,131.4 | \$77.8 | \$1,209.1 | 100.0% |
| <i>Percentage change 2002 over 2001</i> | | | | |
| Federal | -0.6% | -22.0% | -2.0% | |
| State | 1.8% | -21.4% | 0.3% | |
| Local | 1.9% | -21.4% | 0.4% | |
| Total | 0.6% | -21.7% | -0.8% | |

Source: TIA

2002 DOMESTIC TRAVEL IMPACT ON LOUISIANA PARISHES

During 2002, domestic travelers spent \$8.6 billion while traveling in Louisiana, up 1.4 percent from 2001. These expenditures directly generated over \$1.8 billion in wages and salaries, 111.6 thousand jobs and \$581.5 million in tax revenue for the state treasury and local governments.

Travel expenditures occurred throughout all the sixty-four parishes in Louisiana. The top five parishes in Louisiana received nearly \$6.1 billion in direct domestic travel expenditures, 70.7 percent of the state total. Spending by travelers in the top five parishes generated nearly \$1.4 billion in payroll income (75.4 percent) and nearly 85.2 thousand jobs (76.3 percent) in 2002. Additionally, domestic traveler expenditures in these top five parishes generated almost \$398 million in tax revenue for the state treasury and the local governments during 2002, 68.4 percent of the state total.

Domestic Travel Impact on Top 5 Parishes

Orleans Parish, which includes the city of New Orleans, led all parishes in travel expenditures, payroll income and jobs directly generated by domestic visitor spending in 2002. U.S. resident traveler expenditures in Orleans Parish reached nearly \$3.9 billion, accounting for 45.1 percent of the state total. These expenditures generated more than \$917.2 million in payroll income and over 59.7 thousand jobs for parish residents.

Jefferson Parish, located adjacent to New Orleans, ranked second with \$853.3 million in domestic travel spending in 2002, representing 9.9 percent of the state total. The payroll income and jobs directly attributable to domestic traveler spending reached \$167.7 million and over 9.5 thousand jobs.

East Baton Rouge Parish posted \$548.2 million in domestic expenditures to rank third. These expenditures generated nearly \$102.3 million in payroll as well as nearly 5.6 thousand jobs for parish residents.

Caddo Parish received \$471.2 million from domestic travelers, 5.5 percent of the state total. These travel expenditures benefited parish residents with more than \$99.2 million in wages and salaries and nearly 5.1 thousand jobs.

Bossier Parish ranked fifth with nearly \$322.4 million from domestic visitors. This spending generated nearly \$93.1 million in payroll and 5.2 thousand jobs.

Table 7: Domestic Travel Impact in Louisiana - Top 5 Parishes, 2001-2002**2002 Travel Impact**

| Parish | Expenditures (\$ millions) | Payroll (\$ millions) | Employment (thousands) | State & Local Tax Revenue (\$ millions) |
|-------------------------|-------------------------------|--------------------------|---------------------------|---|
| Orleans | \$3,886.01 | \$917.24 | 59.74 | \$250.57 |
| Jefferson | 853.32 | 167.71 | 9.53 | 53.96 |
| E Baton Rouge | 548.15 | 102.27 | 5.58 | 35.89 |
| Caddo | 471.19 | 99.22 | 5.08 | 32.90 |
| <u>Bossier</u> | <u>322.35</u> | <u>93.07</u> | <u>5.22</u> | <u>24.64</u> |
| Five Parish Total | \$6,081.02 | \$1,379.51 | 85.16 | \$397.95 |
| State Total | \$8,607.01 | \$1,830.51 | 111.56 | \$581.48 |
| Share of Top 5 Parishes | 70.7% | 75.4% | 76.3% | 68.4% |

2001 Travel Impact

| | | | | |
|-------------------------|---------------|--------------|-------------|--------------|
| Orleans | \$3,862.65 | \$915.13 | 60.65 | \$248.04 |
| Jefferson | 852.72 | 168.21 | 9.73 | 53.70 |
| E Baton Rouge | 539.07 | 100.95 | 5.61 | 35.15 |
| Caddo | 458.27 | 96.86 | 5.05 | 31.87 |
| <u>Bossier</u> | <u>314.74</u> | <u>91.21</u> | <u>5.21</u> | <u>23.96</u> |
| Five Parish Total | \$6,027.45 | \$1,372.36 | 86.23 | \$392.72 |
| State Total | \$8,490.53 | \$1,812.20 | 112.46 | \$571.00 |
| Share of Top 5 Parishes | 71.0% | 75.7% | 76.7% | 68.8% |

**Percentage Change
2002 over 2001**

| | | | | |
|-------------------|--------------|--------------|--------------|--------------|
| Orleans | 0.60% | 0.23% | -1.49% | 1.02% |
| Jefferson | 0.07% | -0.30% | -2.01% | 0.48% |
| E Baton Rouge | 1.69% | 1.31% | -0.43% | 2.09% |
| Caddo | 2.82% | 2.44% | 0.68% | 3.24% |
| <u>Bossier</u> | <u>2.42%</u> | <u>2.04%</u> | <u>0.29%</u> | <u>2.84%</u> |
| Five Parish Total | 0.89% | 0.52% | -1.25% | 1.33% |
| State Total | 1.37% | 1.01% | -0.79% | 1.84% |

Source: TIA

PARISH TABLES

The following tables list the results of the Parish Economic Impact Component of the TIA's Travel Economic Impact Model for Louisiana in 2002 and revised estimates for 2001. The estimates presented are for direct domestic travel expenditures and related economic impact.

Table A shows the parishes listed alphabetically, with 2002 travel expenditures, travel-generated payroll and employment, and state tax revenue and the local tax revenue for each.

Table B ranks the parishes in order of 2002 travel expenditures from highest to lowest.

Table C shows the percent distribution for each impact measure in 2002.

Table D shows the percent change in 2002 over 2001 estimates for each of the measures of economic impact.

Table E shows the parishes listed alphabetically, with revised 2001 travel expenditures, travel-generated payroll and employment, and state tax revenue and local tax revenue shown for each.

Table A: Alphabetical by Parish, 2002

| 2002 Domestic Travel Impact on Louisiana | | | | | |
|---|---------------------------------------|----------------------------------|-----------------------------------|---|---|
| Table A: Alphabetical by Parish, 2002 | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> |
| ACADIA | \$25.44 | \$2.54 | 0.16 | \$1.53 | \$0.47 |
| ALLEN | 254.24 | 71.18 | 3.88 | 7.78 | 5.19 |
| ASCENSION | 61.63 | 7.44 | 0.50 | 3.56 | 1.02 |
| ASSUMPTION | 8.95 | 0.99 | 0.06 | 0.51 | 0.21 |
| AVOUELLES | 119.94 | 28.56 | 1.62 | 3.08 | 1.93 |
| BEAUREGARD | 13.84 | 1.88 | 0.11 | 0.77 | 1.07 |
| BIENVILLE | 8.06 | 1.04 | 0.07 | 0.44 | 0.61 |
| BOSSIER | 322.35 | 93.07 | 5.22 | 15.19 | 9.45 |
| CADDO | 471.19 | 99.22 | 5.08 | 22.73 | 10.17 |
| CALCASIEU | 275.87 | 69.12 | 3.78 | 13.02 | 7.47 |
| CALDWELL | 6.67 | 0.90 | 0.06 | 0.33 | 0.44 |
| CAMERON | 4.18 | 0.61 | 0.05 | 0.20 | 0.26 |
| CATAHOULA | 4.17 | 0.69 | 0.05 | 0.18 | 0.27 |
| CLAIBORNE | 7.44 | 1.16 | 0.08 | 0.35 | 0.40 |
| CONCORDIA | 10.28 | 1.27 | 0.08 | 0.55 | 0.49 |
| DE SOTO | 11.51 | 1.38 | 0.09 | 0.68 | 0.40 |
| E BATON ROUGE | 548.15 | 102.27 | 5.58 | 25.93 | 9.96 |
| E CARROLL | 7.54 | 0.83 | 0.06 | 0.48 | 0.17 |
| E FELICIANA | 3.23 | 0.54 | 0.04 | 0.14 | 0.21 |
| EVANGELINE | 13.34 | 2.03 | 0.13 | 0.70 | 0.51 |
| FRANKLIN | 6.82 | 1.05 | 0.08 | 0.29 | 0.22 |
| GRANT | 3.01 | 0.48 | 0.04 | 0.13 | 0.27 |
| IBERIA | 37.20 | 5.67 | 0.37 | 1.92 | 0.66 |
| IBERVILLE | 17.95 | 2.71 | 0.16 | 0.98 | 0.76 |
| JACKSON | 7.29 | 1.00 | 0.07 | 0.29 | 0.19 |
| JEFFERSON | 853.32 | 167.71 | 9.53 | 36.52 | 17.44 |
| JEFFERSON DAVIS | 15.91 | 2.03 | 0.15 | 0.90 | 0.38 |

Table A: Alphabetical by Parish, 2002

| 2002 Domestic Travel Impact on Louisiana | | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|--|
| Table A: Alphabetical by Parish, 2002 (Continued) | | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> | |
| LAFAYETTE | 282.50 | 48.13 | 2.74 | 14.22 | 5.30 | |
| LAFOURCHE | 55.51 | 6.91 | 0.44 | 3.17 | 0.95 | |
| LASALLE | 4.02 | 0.64 | 0.05 | 0.17 | 0.21 | |
| LINCOLN | 20.16 | 3.40 | 0.24 | 1.03 | 0.50 | |
| LIVINGSTON | 30.25 | 2.88 | 0.17 | 1.77 | 1.08 | |
| MADISON | 32.59 | 2.64 | 0.15 | 2.33 | 0.50 | |
| MOREHOUSE | 12.64 | 2.02 | 0.13 | 0.66 | 0.35 | |
| NATCHITOCHE | 27.08 | 4.27 | 0.29 | 1.42 | 0.98 | |
| ORLEANS | 3,886.01 | 917.24 | 59.74 | 152.67 | 97.90 | |
| OUACHITA | 153.99 | 28.90 | 1.55 | 6.86 | 3.02 | |
| PLAQUEMINES | 19.58 | 3.30 | 0.19 | 1.01 | 1.46 | |
| POINTE COUPEE | 8.66 | 1.14 | 0.08 | 0.44 | 0.22 | |
| RAPIDES | 102.49 | 15.94 | 0.95 | 5.21 | 2.04 | |
| RED RIVER | 4.49 | 0.59 | 0.04 | 0.25 | 0.15 | |
| RICHLAND | 14.91 | 1.79 | 0.12 | 0.91 | 0.30 | |
| SABINE | 17.27 | 2.30 | 0.14 | 0.84 | 1.81 | |
| SAINT BERNARD | 36.30 | 4.75 | 0.29 | 2.00 | 0.54 | |
| SAINT CHARLES | 29.57 | 4.02 | 0.26 | 1.53 | 0.41 | |
| SAINT HELENA | 2.16 | 0.41 | 0.03 | 0.09 | 0.14 | |
| SAINT JAMES | 9.27 | 1.20 | 0.09 | 0.45 | 0.15 | |
| SAINT JOHN | 24.64 | 4.10 | 0.28 | 1.22 | 0.53 | |
| SAINT LANDRY | 44.74 | 5.07 | 0.31 | 2.64 | 1.28 | |
| SAINT MARTIN | 21.31 | 2.65 | 0.15 | 1.15 | 1.22 | |
| SAINT MARY | 146.96 | 33.64 | 1.95 | 4.55 | 2.45 | |
| SAINT TAMMANY | 142.14 | 20.62 | 1.27 | 7.96 | 3.98 | |
| TANGIPAOA | 103.90 | 10.56 | 0.65 | 6.13 | 1.80 | |
| TENSAS | 3.33 | 0.68 | 0.04 | 0.14 | 0.37 | |

Table A: Alphabetical by Parish, 2002

| 2002 Domestic Travel Impact on Louisiana | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|
| Table A: Alphabetical by Parish, 2002 (Continued) | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> |
| TERREBONNE | 84.06 | 11.92 | 0.77 | 4.72 | 1.52 |
| UNION | 9.78 | 1.12 | 0.07 | 0.56 | 0.68 |
| VERMILION | 30.19 | 3.18 | 0.19 | 1.81 | 0.79 |
| VERNON | 15.15 | 2.09 | 0.14 | 0.81 | 0.64 |
| W BATON ROUGE | 37.33 | 5.01 | 0.33 | 2.24 | 0.72 |
| W CARROLL | 3.31 | 0.51 | 0.04 | 0.14 | 0.13 |
| W FELICIANA | 14.22 | 2.37 | 0.16 | 0.78 | 0.58 |
| WASHINGTON | 17.60 | 2.03 | 0.13 | 1.00 | 0.51 |
| WEBSTER | 33.71 | 4.04 | 0.24 | 2.05 | 1.07 |
| <u>WINN</u> | <u>5.68</u> | <u>1.09</u> | <u>0.08</u> | <u>0.24</u> | <u>0.26</u> |
| STATE TOTALS | \$8,607.01 | \$1,830.51 | 111.56 | \$374.31 | \$207.17 |

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Table B: Ranking Of Parishes By Expenditure Levels, 2002

| 2002 Domestic Travel Impact on Louisiana | | | | | |
|---|---------------------------------------|----------------------------------|-----------------------------------|---|---|
| Table B: Ranking of Parishes by Expenditure Levels, 2002 | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> |
| ORLEANS | \$3,886.01 | \$917.24 | 59.74 | \$152.67 | \$97.90 |
| JEFFERSON | 853.32 | 167.71 | 9.53 | 36.52 | 17.44 |
| E BATON ROUGE | 548.15 | 102.27 | 5.58 | 25.93 | 9.96 |
| CADDO | 471.19 | 99.22 | 5.08 | 22.73 | 10.17 |
| BOSSIER | 322.35 | 93.07 | 5.22 | 15.19 | 9.45 |
| LAFAYETTE | 282.50 | 48.13 | 2.74 | 14.22 | 5.30 |
| CALCASIEU | 275.87 | 69.12 | 3.78 | 13.02 | 7.47 |
| ALLEN | 254.24 | 71.18 | 3.88 | 7.78 | 5.19 |
| OUACHITA | 153.99 | 28.90 | 1.55 | 6.86 | 3.02 |
| SAINT MARY | 146.96 | 33.64 | 1.95 | 4.55 | 2.45 |
| SAINT TAMMANY | 142.14 | 20.62 | 1.27 | 7.96 | 3.98 |
| AVOYELLES | 119.94 | 28.56 | 1.62 | 3.08 | 1.93 |
| TANGIPAHOA | 103.90 | 10.56 | 0.65 | 6.13 | 1.80 |
| RAPIDES | 102.49 | 15.94 | 0.95 | 5.21 | 2.04 |
| TERREBONNE | 84.06 | 11.92 | 0.77 | 4.72 | 1.52 |
| ASCENSION | 61.63 | 7.44 | 0.50 | 3.56 | 1.02 |
| LAFOURCHE | 55.51 | 6.91 | 0.44 | 3.17 | 0.95 |
| SAINT LANDRY | 44.74 | 5.07 | 0.31 | 2.64 | 1.28 |
| W BATON ROUGE | 37.33 | 5.01 | 0.33 | 2.24 | 0.72 |
| IBERIA | 37.20 | 5.67 | 0.37 | 1.92 | 0.66 |
| SAINT BERNARD | 36.30 | 4.75 | 0.29 | 2.00 | 0.54 |
| WEBSTER | 33.71 | 4.04 | 0.24 | 2.05 | 1.07 |
| MADISON | 32.59 | 2.64 | 0.15 | 2.33 | 0.50 |
| LIVINGSTON | 30.25 | 2.88 | 0.17 | 1.77 | 1.08 |
| VERMILION | 30.19 | 3.18 | 0.19 | 1.81 | 0.79 |
| SAINT CHARLES | 29.57 | 4.02 | 0.26 | 1.53 | 0.41 |
| NATCHITOCHE | 27.08 | 4.27 | 0.29 | 1.42 | 0.98 |

Table B: Ranking Of Parishes By Expenditure Levels, 2002

| 2002 Domestic Travel Impact on Louisiana | | | | | | |
|---|---------------------------------------|----------------------------------|-----------------------------------|---|---|--|
| Table B: Ranking of Parishes by Expenditure Levels, 2002 (Continued) | | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> | |
| ACADIA | 25.44 | 2.54 | 0.16 | 1.53 | 0.47 | |
| SAINT JOHN | 24.64 | 4.10 | 0.28 | 1.22 | 0.53 | |
| SAINT MARTIN | 21.31 | 2.65 | 0.15 | 1.15 | 1.22 | |
| LINCOLN | 20.16 | 3.40 | 0.24 | 1.03 | 0.50 | |
| PLAQUEMINES | 19.58 | 3.30 | 0.19 | 1.01 | 1.46 | |
| IBERVILLE | 17.95 | 2.71 | 0.16 | 0.98 | 0.76 | |
| WASHINGTON | 17.60 | 2.03 | 0.13 | 1.00 | 0.51 | |
| SABINE | 17.27 | 2.30 | 0.14 | 0.84 | 1.81 | |
| JEFFERSON DAVIS | 15.91 | 2.03 | 0.15 | 0.90 | 0.38 | |
| VERNON | 15.15 | 2.09 | 0.14 | 0.81 | 0.64 | |
| RICHLAND | 14.91 | 1.79 | 0.12 | 0.91 | 0.30 | |
| W FELICIANA | 14.22 | 2.37 | 0.16 | 0.78 | 0.58 | |
| BEAUREGARD | 13.84 | 1.88 | 0.11 | 0.77 | 1.07 | |
| EVANGELINE | 13.34 | 2.03 | 0.13 | 0.70 | 0.51 | |
| MOREHOUSE | 12.64 | 2.02 | 0.13 | 0.66 | 0.35 | |
| DE SOTO | 11.51 | 1.38 | 0.09 | 0.68 | 0.40 | |
| CONCORDIA | 10.28 | 1.27 | 0.08 | 0.55 | 0.49 | |
| UNION | 9.78 | 1.12 | 0.07 | 0.56 | 0.68 | |
| SAINT JAMES | 9.27 | 1.20 | 0.09 | 0.45 | 0.15 | |
| ASSUMPTION | 8.95 | 0.99 | 0.06 | 0.51 | 0.21 | |
| POINTE COUPEE | 8.66 | 1.14 | 0.08 | 0.44 | 0.22 | |
| BIENVILLE | 8.06 | 1.04 | 0.07 | 0.44 | 0.61 | |
| E CARROLL | 7.54 | 0.83 | 0.06 | 0.48 | 0.17 | |
| CLAIBORNE | 7.44 | 1.16 | 0.08 | 0.35 | 0.40 | |
| JACKSON | 7.29 | 1.00 | 0.07 | 0.29 | 0.19 | |
| FRANKLIN | 6.82 | 1.05 | 0.08 | 0.29 | 0.22 | |
| CALDWELL | 6.67 | 0.90 | 0.06 | 0.33 | 0.44 | |

Table B: Ranking Of Parishes By Expenditure Levels, 2002

| 2002 Domestic Travel Impact on Louisiana | | | | | | |
|---|---------------------------------------|----------------------------------|-----------------------------------|---|---|--|
| Table B: Ranking of Parishes by Expenditure Levels, 2002 (Continued) | | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> | |
| WINN | 5.68 | 1.09 | 0.08 | 0.24 | 0.26 | |
| RED RIVER | 4.49 | 0.59 | 0.04 | 0.25 | 0.15 | |
| CAMERON | 4.18 | 0.61 | 0.05 | 0.20 | 0.26 | |
| CATAHOULA | 4.17 | 0.69 | 0.05 | 0.18 | 0.27 | |
| LASALLE | 4.02 | 0.64 | 0.05 | 0.17 | 0.21 | |
| TENSAS | 3.33 | 0.68 | 0.04 | 0.14 | 0.37 | |
| W CARROLL | 3.31 | 0.51 | 0.04 | 0.14 | 0.13 | |
| E FELICIANA | 3.23 | 0.54 | 0.04 | 0.14 | 0.21 | |
| GRANT | 3.01 | 0.48 | 0.04 | 0.13 | 0.27 | |
| <u>SAINT HELENA</u> | <u>2.16</u> | <u>0.41</u> | <u>0.03</u> | <u>0.09</u> | <u>0.14</u> | |
| STATE TOTALS | \$8,607.01 | \$1,830.51 | 111.56 | \$374.31 | \$207.17 | |

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Table C: Percent Distribution By Parish, 2002

| 2002 Domestic Travel Impact on Louisiana | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|
| Table C: Percent Distribution by Parish, 2002 | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> |
| ACADIA | 0.30% | 0.14% | 0.14% | 0.41% | 0.23% |
| ALLEN | 2.95% | 3.89% | 3.47% | 2.08% | 2.51% |
| ASCENSION | 0.72% | 0.41% | 0.45% | 0.95% | 0.49% |
| ASSUMPTION | 0.10% | 0.05% | 0.06% | 0.14% | 0.10% |
| AVOUELLES | 1.39% | 1.56% | 1.45% | 0.82% | 0.93% |
| BEAUREGARD | 0.16% | 0.10% | 0.10% | 0.21% | 0.51% |
| BIENVILLE | 0.09% | 0.06% | 0.06% | 0.12% | 0.29% |
| BOSSIER | 3.75% | 5.08% | 4.68% | 4.06% | 4.56% |
| CADDO | 5.47% | 5.42% | 4.55% | 6.07% | 4.91% |
| CALCASIEU | 3.21% | 3.78% | 3.39% | 3.48% | 3.60% |
| CALDWELL | 0.08% | 0.05% | 0.05% | 0.09% | 0.21% |
| CAMERON | 0.05% | 0.03% | 0.04% | 0.05% | 0.12% |
| CATAHOULA | 0.05% | 0.04% | 0.05% | 0.05% | 0.13% |
| CLAIBORNE | 0.09% | 0.06% | 0.07% | 0.09% | 0.19% |
| CONCORDIA | 0.12% | 0.07% | 0.07% | 0.15% | 0.24% |
| DE SOTO | 0.13% | 0.08% | 0.08% | 0.18% | 0.20% |
| E BATON ROUGE | 6.37% | 5.59% | 5.00% | 6.93% | 4.81% |
| E CARROLL | 0.09% | 0.05% | 0.05% | 0.13% | 0.08% |
| E FELICIANA | 0.04% | 0.03% | 0.04% | 0.04% | 0.10% |
| EVANGELINE | 0.15% | 0.11% | 0.12% | 0.19% | 0.25% |
| FRANKLIN | 0.08% | 0.06% | 0.07% | 0.08% | 0.11% |
| GRANT | 0.03% | 0.03% | 0.03% | 0.03% | 0.13% |
| IBERIA | 0.43% | 0.31% | 0.33% | 0.51% | 0.32% |
| IBERVILLE | 0.21% | 0.15% | 0.14% | 0.26% | 0.37% |
| JACKSON | 0.08% | 0.05% | 0.07% | 0.08% | 0.09% |
| JEFFERSON | 9.91% | 9.16% | 8.54% | 9.76% | 8.42% |
| JEFFERSON DAVIS | 0.18% | 0.11% | 0.13% | 0.24% | 0.18% |

Table C: Percent Distribution By Parish, 2002

| 2002 Domestic Travel Impact on Louisiana | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|
| Table C: Percent Distribution by Parish, 2002 (Continued) | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> |
| LAFAYETTE | 3.28% | 2.63% | 2.45% | 3.80% | 2.56% |
| LAFOURCHE | 0.64% | 0.38% | 0.39% | 0.85% | 0.46% |
| LASALLE | 0.05% | 0.03% | 0.04% | 0.04% | 0.10% |
| LINCOLN | 0.23% | 0.19% | 0.22% | 0.27% | 0.24% |
| LIVINGSTON | 0.35% | 0.16% | 0.15% | 0.47% | 0.52% |
| MADISON | 0.38% | 0.14% | 0.13% | 0.62% | 0.24% |
| MOREHOUSE | 0.15% | 0.11% | 0.12% | 0.18% | 0.17% |
| NATCHITOCHE | 0.31% | 0.23% | 0.26% | 0.38% | 0.47% |
| ORLEANS | 45.15% | 50.11% | 53.55% | 40.79% | 47.25% |
| OUACHITA | 1.79% | 1.58% | 1.39% | 1.83% | 1.46% |
| PLAQUEMINES | 0.23% | 0.18% | 0.17% | 0.27% | 0.70% |
| POINTE COUPEE | 0.10% | 0.06% | 0.07% | 0.12% | 0.11% |
| RAPIDES | 1.19% | 0.87% | 0.85% | 1.39% | 0.99% |
| RED RIVER | 0.05% | 0.03% | 0.04% | 0.07% | 0.07% |
| RICHLAND | 0.17% | 0.10% | 0.11% | 0.24% | 0.15% |
| SABINE | 0.20% | 0.13% | 0.12% | 0.23% | 0.87% |
| SAINT BERNARD | 0.42% | 0.26% | 0.26% | 0.53% | 0.26% |
| SAINT CHARLES | 0.34% | 0.22% | 0.23% | 0.41% | 0.20% |
| SAINT HELENA | 0.03% | 0.02% | 0.03% | 0.02% | 0.07% |
| SAINT JAMES | 0.11% | 0.07% | 0.08% | 0.12% | 0.07% |
| SAINT JOHN | 0.29% | 0.22% | 0.25% | 0.33% | 0.26% |
| SAINT LANDRY | 0.52% | 0.28% | 0.28% | 0.71% | 0.62% |
| SAINT MARTIN | 0.25% | 0.14% | 0.13% | 0.31% | 0.59% |
| SAINT MARY | 1.71% | 1.84% | 1.75% | 1.21% | 1.18% |
| SAINT TAMMANY | 1.65% | 1.13% | 1.14% | 2.13% | 1.92% |
| TANGIPAHOA | 1.21% | 0.58% | 0.58% | 1.64% | 0.87% |
| TENSAS | 0.04% | 0.04% | 0.04% | 0.04% | 0.18% |

Table C: Percent Distribution By Parish, 2002

| 2002 Domestic Travel Impact on Louisiana | | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|--|
| Table C: Percent Distribution by Parish, 2002 (Continued) | | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> | |
| TERREBONNE | 0.98% | 0.65% | 0.69% | 1.26% | 0.73% | |
| UNION | 0.11% | 0.06% | 0.06% | 0.15% | 0.33% | |
| VERMILION | 0.35% | 0.17% | 0.17% | 0.48% | 0.38% | |
| VERNON | 0.18% | 0.11% | 0.12% | 0.22% | 0.31% | |
| W BATON ROUGE | 0.43% | 0.27% | 0.30% | 0.60% | 0.35% | |
| W CARROLL | 0.04% | 0.03% | 0.04% | 0.04% | 0.06% | |
| W FELICIANA | 0.17% | 0.13% | 0.15% | 0.21% | 0.28% | |
| WASHINGTON | 0.20% | 0.11% | 0.12% | 0.27% | 0.25% | |
| WEBSTER | 0.39% | 0.22% | 0.21% | 0.55% | 0.52% | |
| <u>WINN</u> | <u>0.07%</u> | <u>0.06%</u> | <u>0.07%</u> | <u>0.07%</u> | <u>0.12%</u> | |
| STATE TOTALS | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | |

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Table D: Percent Change Over Revised 2001

| 2002 Domestic Travel Impact on Louisiana | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|
| Table D: Percent Change over Revised 2001 | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> |
| ACADIA | 1.29% | 0.92% | -0.81% | 1.68% | 1.77% |
| ALLEN | 2.89% | 2.51% | 0.75% | 3.28% | 3.37% |
| ASCENSION | 5.06% | 4.68% | 2.88% | 5.46% | 5.56% |
| ASSUMPTION | 3.56% | 3.18% | 1.40% | 3.95% | 4.04% |
| AVOUELLES | 4.75% | 4.36% | 2.57% | 5.14% | 5.24% |
| BEAUREGARD | 5.02% | 4.63% | 2.83% | 5.42% | 5.51% |
| BIENVILLE | -0.26% | -0.63% | -2.34% | 0.11% | 0.20% |
| BOSSIER | 2.42% | 2.04% | 0.29% | 2.80% | 2.90% |
| CADDO | 2.82% | 2.44% | 0.68% | 3.21% | 3.30% |
| CALCASIEU | 8.29% | 7.89% | 6.04% | 8.70% | 8.80% |
| CALDWELL | 5.90% | 5.51% | 3.69% | 6.30% | 6.39% |
| CAMERON | -3.49% | -3.85% | -5.50% | -3.13% | -3.04% |
| CATAHOULA | 7.86% | 7.46% | 5.61% | 8.26% | 8.36% |
| CLAIBORNE | 0.58% | 0.21% | -1.52% | 0.96% | 1.05% |
| CONCORDIA | -0.27% | -0.64% | -2.35% | 0.10% | 0.19% |
| DE SOTO | 6.51% | 6.11% | 4.29% | 6.91% | 7.01% |
| E BATON ROUGE | 1.69% | 1.31% | -0.43% | 2.07% | 2.16% |
| E CARROLL | 2.37% | 1.99% | 0.24% | 2.76% | 2.85% |
| E FELICIANA | 2.77% | 2.39% | 0.63% | 3.15% | 3.25% |
| EVANGELINE | 0.46% | 0.08% | -1.63% | 0.83% | 0.93% |
| FRANKLIN | -2.65% | -3.01% | -4.68% | -2.29% | -2.20% |
| GRANT | 2.77% | 2.39% | 0.63% | 3.15% | 3.25% |
| IBERIA | 0.63% | 0.26% | -1.46% | 1.01% | 1.10% |
| IBERVILLE | 5.50% | 5.11% | 3.31% | 5.90% | 6.00% |
| JACKSON | 2.35% | 1.97% | 0.22% | 2.74% | 2.83% |
| JEFFERSON | 0.07% | -0.30% | -2.01% | 0.45% | 0.54% |
| JEFFERSON DAVIS | 2.39% | 2.01% | 0.26% | 2.77% | 2.87% |

Table D: Percent Change Over Revised 2001

| 2002 Domestic Travel Impact on Louisiana | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|
| Table D: Percent Change over Revised 2001 (Continued) | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> |
| LAFAYETTE | 0.06% | -0.32% | -2.03% | 0.43% | 0.52% |
| LAFOURCHE | -0.50% | -0.87% | -2.57% | -0.13% | -0.04% |
| LASALLE | 1.41% | 1.03% | -0.70% | 1.79% | 1.88% |
| LINCOLN | -0.11% | -0.48% | -2.19% | 0.27% | 0.36% |
| LIVINGSTON | 4.11% | 3.72% | 1.94% | 4.50% | 4.60% |
| MADISON | 1.86% | 1.49% | -0.26% | 2.25% | 2.34% |
| MOREHOUSE | -0.62% | -0.99% | -2.69% | -0.25% | -0.16% |
| NATCHITOCHE | 3.41% | 3.02% | 1.25% | 3.79% | 3.89% |
| ORLEANS | 0.60% | 0.23% | -1.49% | 0.98% | 1.07% |
| OUACHITA | 2.22% | 1.84% | 0.09% | 2.61% | 2.70% |
| PLAQUEMINES | 3.21% | 2.83% | 1.06% | 3.60% | 3.69% |
| POINTE COUPEE | 0.92% | 0.55% | -1.18% | 1.30% | 1.39% |
| RAPIDES | -0.11% | -0.49% | -2.19% | 0.26% | 0.35% |
| RED RIVER | 2.77% | 2.39% | 0.63% | 3.15% | 3.25% |
| RICHLAND | 1.82% | 1.44% | -0.30% | 2.20% | 2.29% |
| SABINE | 2.77% | 2.39% | 0.63% | 3.15% | 3.25% |
| SAINT BERNARD | 2.16% | 1.78% | 0.03% | 2.54% | 2.64% |
| SAINT CHARLES | 7.70% | 7.30% | 5.46% | 8.11% | 8.21% |
| SAINT HELENA | 3.78% | 3.40% | 1.62% | 4.17% | 4.27% |
| SAINT JAMES | 2.77% | 2.39% | 0.63% | 3.15% | 3.25% |
| SAINT JOHN | -0.82% | -1.19% | -2.89% | -0.45% | -0.36% |
| SAINT LANDRY | 0.13% | -0.24% | -1.96% | 0.50% | 0.59% |
| SAINT MARTIN | 1.66% | 1.28% | -0.46% | 2.04% | 2.13% |
| SAINT MARY | 2.26% | 1.88% | 0.13% | 2.64% | 2.74% |
| SAINT TAMMANY | -0.75% | -1.12% | -2.82% | -0.38% | -0.29% |
| TANGIPAOHA | 1.66% | 1.28% | -0.46% | 2.04% | 2.13% |
| TENSAS | 3.20% | 2.81% | 1.05% | 3.58% | 3.68% |

Table D: Percent Change Over Revised 2001

| 2002 Domestic Travel Impact on Louisiana | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|
| Table D: Percent Change over Revised 2001 (Continued) | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> |
| TERREBONNE | 1.31% | 0.93% | -0.80% | 1.69% | 1.78% |
| UNION | 4.38% | 3.99% | 2.21% | 4.77% | 4.87% |
| VERMILION | 4.01% | 3.63% | 1.85% | 4.41% | 4.50% |
| VERNON | 6.57% | 6.18% | 4.35% | 6.97% | 7.07% |
| W BATON ROUGE | 3.69% | 3.31% | 1.53% | 4.08% | 4.17% |
| W CARROLL | -0.44% | -0.81% | -2.52% | -0.07% | 0.02% |
| W FELICIANA | 1.12% | 0.74% | -0.99% | 1.50% | 1.59% |
| WASHINGTON | 3.05% | 2.67% | 0.90% | 3.44% | 3.53% |
| WEBSTER | 4.67% | 4.28% | 2.49% | 5.06% | 5.16% |
| <u>WINN</u> | <u>0.85%</u> | <u>0.48%</u> | <u>-1.25%</u> | <u>1.23%</u> | <u>1.32%</u> |
| STATE TOTALS | 1.37% | 1.01% | -0.79% | 1.80% | 1.90% |

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Table E: Alphabetical By Parish, Revised 2001

| 2002 Domestic Travel Impact on Louisiana | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|
| Table E: Alphabetical by Parish, Revised 2001 | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> |
| ACADIA | \$25.12 | \$2.52 | 0.16 | \$1.51 | \$0.47 |
| ALLEN | 247.10 | 69.43 | 3.85 | 7.53 | 5.02 |
| ASCENSION | 58.66 | 7.10 | 0.49 | 3.37 | 0.97 |
| ASSUMPTION | 8.65 | 0.96 | 0.06 | 0.49 | 0.20 |
| AVOUELLES | 114.50 | 27.37 | 1.58 | 2.93 | 1.83 |
| BEAUREGARD | 13.18 | 1.80 | 0.10 | 0.73 | 1.01 |
| BIENVILLE | 8.08 | 1.05 | 0.07 | 0.44 | 0.61 |
| BOSSIER | 314.74 | 91.21 | 5.21 | 14.78 | 9.18 |
| CADDO | 458.27 | 96.86 | 5.05 | 22.02 | 9.85 |
| CALCASIEU | 254.74 | 64.06 | 3.57 | 11.97 | 6.86 |
| CALDWELL | 6.30 | 0.85 | 0.06 | 0.31 | 0.42 |
| CAMERON | 4.33 | 0.64 | 0.05 | 0.20 | 0.27 |
| CATAHOULA | 3.86 | 0.65 | 0.05 | 0.17 | 0.25 |
| CLAIBORNE | 7.40 | 1.15 | 0.08 | 0.35 | 0.39 |
| CONCORDIA | 10.31 | 1.27 | 0.08 | 0.55 | 0.49 |
| DE SOTO | 10.81 | 1.30 | 0.08 | 0.64 | 0.38 |
| E BATON ROUGE | 539.07 | 100.95 | 5.61 | 25.41 | 9.75 |
| E CARROLL | 7.36 | 0.81 | 0.06 | 0.46 | 0.17 |
| E FELICIANA | 3.14 | 0.53 | 0.04 | 0.14 | 0.20 |
| EVANGELINE | 13.28 | 2.03 | 0.13 | 0.69 | 0.51 |
| FRANKLIN | 7.01 | 1.08 | 0.09 | 0.30 | 0.23 |
| GRANT | 2.93 | 0.47 | 0.04 | 0.12 | 0.26 |
| IBERIA | 36.96 | 5.66 | 0.37 | 1.90 | 0.66 |
| IBERVILLE | 17.01 | 2.58 | 0.15 | 0.93 | 0.72 |
| JACKSON | 7.12 | 0.98 | 0.07 | 0.28 | 0.19 |
| JEFFERSON | 852.72 | 168.21 | 9.73 | 36.36 | 17.34 |
| JEFFERSON DAVIS | 15.54 | 1.99 | 0.15 | 0.87 | 0.37 |

Table E: Alphabetical By Parish, Revised 2001

| 2002 Domestic Travel Impact on Louisiana | | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|--|
| Table E: Alphabetical by Parish, Revised 2001 (Continued) | | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> | |
| LAFAYETTE | 282.34 | 48.28 | 2.79 | 14.16 | 5.27 | |
| LAFOURCHE | 55.79 | 6.97 | 0.45 | 3.17 | 0.95 | |
| LASALLE | 3.96 | 0.63 | 0.05 | 0.16 | 0.21 | |
| LINCOLN | 20.18 | 3.42 | 0.25 | 1.02 | 0.50 | |
| LIVINGSTON | 29.05 | 2.78 | 0.17 | 1.69 | 1.04 | |
| MADISON | 32.00 | 2.60 | 0.15 | 2.28 | 0.49 | |
| MOREHOUSE | 12.72 | 2.04 | 0.13 | 0.66 | 0.35 | |
| NATCHITOCHE | 26.19 | 4.14 | 0.29 | 1.37 | 0.94 | |
| ORLEANS | 3,862.65 | 915.13 | 60.65 | 151.18 | 96.85 | |
| OUACHITA | 150.65 | 28.38 | 1.55 | 6.69 | 2.94 | |
| PLAQUEMINES | 18.97 | 3.21 | 0.19 | 0.97 | 1.41 | |
| POINTE COUPEE | 8.58 | 1.13 | 0.08 | 0.43 | 0.22 | |
| RAPIDES | 102.61 | 16.02 | 0.97 | 5.20 | 2.04 | |
| RED RIVER | 4.37 | 0.57 | 0.04 | 0.24 | 0.15 | |
| RICHLAND | 14.65 | 1.77 | 0.12 | 0.89 | 0.29 | |
| SABINE | 16.80 | 2.25 | 0.13 | 0.82 | 1.75 | |
| SAINT BERNARD | 35.53 | 4.67 | 0.29 | 1.95 | 0.53 | |
| SAINT CHARLES | 27.45 | 3.75 | 0.25 | 1.41 | 0.38 | |
| SAINT HELENA | 2.08 | 0.40 | 0.03 | 0.08 | 0.14 | |
| SAINT JAMES | 9.02 | 1.18 | 0.09 | 0.43 | 0.15 | |
| SAINT JOHN | 24.85 | 4.15 | 0.29 | 1.23 | 0.53 | |
| SAINT LANDRY | 44.68 | 5.09 | 0.32 | 2.63 | 1.27 | |
| SAINT MARTIN | 20.97 | 2.62 | 0.15 | 1.13 | 1.19 | |
| SAINT MARY | 143.71 | 33.02 | 1.95 | 4.43 | 2.39 | |
| SAINT TAMMANY | 143.21 | 20.85 | 1.31 | 7.99 | 3.99 | |
| TANGIPAOHA | 102.20 | 10.43 | 0.65 | 6.01 | 1.77 | |
| TENSAS | 3.23 | 0.66 | 0.04 | 0.14 | 0.36 | |

Table E: Alphabetical By Parish, Revised 2001

| 2002 Domestic Travel Impact on Louisiana | | | | | | |
|--|---------------------------------------|----------------------------------|-----------------------------------|---|---|--|
| Table E: Alphabetical by Parish, Revised 2001 (Continued) | | | | | | |
| <u>Parish</u> | <u>Expenditures (\$ Millions)</u> | <u>Payroll (\$ Millions)</u> | <u>Employment (Thousands)</u> | <u>State Tax Receipts (\$ Millions)</u> | <u>Local Tax Receipts (\$ Millions)</u> | |
| TERREBONNE | 82.98 | 11.81 | 0.78 | 4.64 | 1.49 | |
| UNION | 9.37 | 1.07 | 0.07 | 0.53 | 0.65 | |
| VERMILION | 29.03 | 3.07 | 0.19 | 1.73 | 0.76 | |
| VERNON | 14.22 | 1.97 | 0.13 | 0.76 | 0.60 | |
| W BATON ROUGE | 36.00 | 4.85 | 0.33 | 2.16 | 0.69 | |
| W CARROLL | 3.32 | 0.52 | 0.04 | 0.14 | 0.13 | |
| W FELICIANA | 14.07 | 2.35 | 0.17 | 0.77 | 0.57 | |
| WASHINGTON | 17.08 | 1.98 | 0.13 | 0.96 | 0.49 | |
| WEBSTER | 32.21 | 3.87 | 0.23 | 1.95 | 1.02 | |
| <u>WINN</u> | <u>5.63</u> | <u>1.08</u> | <u>0.08</u> | <u>0.24</u> | <u>0.25</u> | |
| STATE TOTALS | \$8,490.53 | \$1,812.20 | 112.46 | \$367.69 | \$203.31 | |

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APPENDICES

Appendix A: Travel Economic Impact Model

Introduction

The Travel Economic Impact Model (TEIM) was developed by the research department at TIA (formerly known as the U.S. Travel Data Center) to provide annual estimates of the impact of the travel activity of U.S. residents on national, state and county economies in this country. The TEIM estimates travel expenditures and the resulting employment, personal income, and tax receipts generated by these expenditures. It is capable of estimating the economic impact of travel at the county level, allowing localities throughout a state to document the importance of travel and tourism within their own areas.

The TEIM has the capability of estimating the economic impact of various types of travel, such as business and vacation, by transport mode and type of accommodations used, and other trip and traveler characteristics.

The revised TEIM has been used to develop estimates of 1987 and subsequent year travel expenditures and the effect of these expenditures on employment, payroll and tax revenue in each of the 50 states and the District of Columbia. TIA has also produced a time series of estimates for the years 1977-87 through the revised TEIM. The County Impact Component of the TEIM allows estimates of the economic impact of travel at the county and city level.

Definition of Terms

There is no commonly accepted definition of travel in use at this time. For the purposes of the estimates herein, *travel* is defined as activities associated with all overnight trips away from home in paid accommodations and day trips to places 50 miles or more, one way, from the traveler's origin. The TEIM definition includes all overnight trips regardless of distance away from home, but excludes day trips to places less than 50 miles away from home.

The word *tourism* is avoided in this report because of its vague meaning. Some define tourism as all travel away from home while others use the dictionary definition that limits tourism to personal or pleasure travel.

The *travel industry*, as used herein, refers to the collection of 16 types of businesses that provide goods and services to the traveler or potential traveler at the retail level (see Appendix B: Glossary of Terms). With the exception of Amtrak and second home ownership and rental, these business types are defined by the Office of Management and Budget in the 1997 North American Industry Classification System (NAICS) and well as in its predecessor, the 1987 Standard Industrial Classification System (SIC). In each case, the relevant NAICS and SIC codes are included.

A *travel expenditure* is assumed to take place whenever a traveler exchanges money for an activity considered part of his/her trip. Total travel expenditures are separated into 16 categories representing traveler purchases of goods and services at the retail level. One category, travel

agents, receives no travel expenditures as these purchases are allocated to the category (i.e. air transportation) actually providing the final good or service to the traveler. Travel expenditures are allocated among states by simulating where the exchange of money for goods or service actually took place. By their nature, some travel expenditures are assumed to occur at the traveler's origin, some at his/her destination, and some enroute.

Economic impact is represented by measures of spending, employment, payroll, business receipts and tax revenues generated by traveler spending. *Payroll* includes all forms of compensation, such as salaries, wages, commissions, bonuses, vacation allowances, sick leave pay and the value of payments in kind paid during the year to all employees. Payroll is reported before deductions for social security, income tax insurance, union dues, etc. This definition follows that used by the U.S. Census Bureau in the quinquennial Census of Service Industries.

Employment represents the number of jobs generated by traveler spending, both full and part-time. As such, it is consistent with the U.S. Department of Labor series on nonagricultural payroll employment. *Tax revenues* include corporate income, individual income, sales and gross receipts, and excise taxes by level of government. *Business receipts* reflect travel expenditures less the sales and excise taxes imposed on those expenditures.

Description of the Model

The basic data on travel activity levels (e.g., number of miles traveled by mode of transportation, the number of nights spent away from home spent by type of accommodation) are available from TIA's travel surveys and Smith Travel Research's Hotel and Motel Survey. Generally, the TEIM combines the activity levels for trips to places within the United States with the appropriate average costs of each unit of travel activity, (e.g., cost per mile by mode of transport, cost per night by type of accommodation), to produce estimates of the total amount spent on each of 16 categories of travel-related goods and services by state. For example, the number of nights spent by travel parties in campgrounds in Louisiana is multiplied by the average cost per night per travel party of staying in a campground facility in Louisiana to obtain the estimate of traveler expenditures for camping accommodations.

The Economic Impact Component of the TEIM estimates travel generated business receipts, employment, and payroll. Basically, the 16 travel categories are associated with a type of travel-related business. For example, traveler spending on commercial lodging in a state is related to the business receipts, employment and payroll of hotels, motels and motor hotels (SIC 701; NAICS 7211) in the state. It is assumed that travel spending in each category, less sales and excise taxes, equals business receipts for the related business type as defined by the U.S. Census Bureau.

It is assumed that each job in a specific type of business in a state is supported by some amount of business receipts and that each dollar of wages and salaries is similarly supported by some dollar volume of business receipts. The ratios of employment to business receipts are computed for each industry in each state. These ratios are then multiplied by the total amount of business receipts generated by traveler spending in a particular type of business to obtain the measures of travel generated employment and payroll of each type of business in each state. For example, the

ratio of employees to business receipts in Louisiana commercial lodging establishments is multiplied by travel generated business receipts of these establishments to obtain traveler generated employment in commercial lodging. A similar process is used for the payroll estimates.

The Fiscal Impact Component of the TEIM is used to estimate traveler generated tax revenues of federal, state and local governments. The yield of each type of tax is related to the best measure of the relevant tax base available for each state consistent with the output of the Economic Impact Component. The ratios of yield to base for each type of tax in each state is then applied to the appropriate primary level output to obtain estimates of tax receipts generated by travel. For example, the ratio of Louisiana state personal income tax collections to payroll in the state is applied to total travel generated payroll to obtain the estimate of state personal income tax receipts attributable to traveler spending in Louisiana.

The 1987 benchmark estimates of travel expenditures, and travel generated employment, payroll and federal, state and local tax revenue, are updated for each successive year. Data from the U.S. Bureau of the Census, Smith Travel Research, Enos Foundation, Runzheimer International, Cruise Lines International Association, Prentice-Hall, U.S. Department of Labor's Consumer Expenditure Survey and ES-202, American Society of Travel Agents, the Federal Aviation Administration, the Department of Transportation, Amtrak, the Federal Highway Administration, state revenue departments, TIA's travel surveys and other sources are used for this purpose. These data indicate the change in travel spending for each of the expenditure categories for each state over the previous year, as well as changes in the relationship of travel spending to employment, payroll and tax revenue.

Model Limitations

Due to the lack of sound, relevant data, the magnitude of purchases made in preparation for trips cannot be quantified. Examples include sports equipment (tennis racquet, skis, scuba gear, etc.), travel books and guides, and services such as language lessons and lessons for participatory sports (tennis, skiing, underwater diving, etc.).

The second type of spending not covered due to lack of sufficient data is the purchase of major consumer durables generally related to outdoor recreation on trips. Further research is required in this area to determine to what extent pre-trip spending on consumer durable products can justifiably be included within a travel economic impact study.

Appendix B: Glossary of Terms

Automobile Transportation Expenditure. This category includes a prorated share of the fixed costs of owning an automobile, truck, camper, or other recreational vehicle, such as insurance, license fees, tax, and depreciation costs. Also included are the variable costs of operating an automobile, truck, camper, or other recreational vehicle on a trip, such as gasoline, oil, tires, and repairs. The costs of renting an automobile or other motor vehicle are included in this category as well.

Entertainment/Recreation Expenditure. Traveler spending on recreation facility user fees, admissions at amusement parks and attractions, attendance at nightclubs, movies, legitimate shows, sports events, and other forms of entertainment and recreation while traveling.

Food Expenditure. Traveler spending in commercial eating facilities and grocery stores or carry-outs, as well as on food purchased for off-premise consumption.

Incidental Purchase Expenditure. Traveler spending on retail trade purchases including gifts for others, medicine, cosmetics, clothing, personal services, souvenirs, and other items of this nature.

Lodging Expenditures. Traveler spending on hotels and motels, campgrounds and trailer parks, rental of vacation homes and other types of lodging.

Public Transportation Expenditures. This includes traveler spending on air, bus, rail and boat/ship transportation, and taxicab or limousine service between airports and central cities. Also included are expenditures on "other transportation" as indicated in the TravelScope® survey.

Tourism. Generally avoided in this study, this can be used to refer to pleasure or personal travel, a subset of travel.

Travel. The act of taking a "trip".

Traveler. Person taking a "trip".

Travel Expenditure. The exchange of money or the promise of money for goods or service while traveling, including any advance purchase of public transportation tickets, lodging or other items normally considered incidental to travel, but which may be purchased in advance of the trip. In addition, certain of the "fixed" or capital costs of owning a motor vehicle (including campers, motor homes, etc.) or a vacation or second home are included as associated with taking a trip.

Generally, expenditures are assumed to take place at the point where the good or service is bought while traveling. The two exceptions to this rule are that the fixed costs of operating a motor vehicle while on a trip are allocated to the traveler's area of residence, and the "imputed rent" of spending nights in the traveler's own vacation home is allocated to the area visited.

Travel-generated Employment. The number of jobs attributable to travel expenditures in an area.

These estimates of employment follow the "establishment payroll survey definition" rather than the "household survey definition." Consequently, the TEIM estimates are more closely related to the number of jobs than to the number of employees. For a detailed description of the household and establishment survey differences, please refer to <http://www.bls.gov/lau/lauhvse.htm>.

Travel-generated Payroll. This is the payroll, or wage and salary income, attributable to travel expenditures in an area. Payroll includes all forms of compensation, such as salaries, wages, commissions, bonuses, vacation allowances, sick leave pay, and the value of payments in kind (such as free meals and lodgings) paid during the year to all employees. Trips and gratuities received by employees from patrons and reported to employers are included. For corporations, it includes amounts paid to officers and executives; for unincorporated businesses, it does not include profit nor other compensation of proprietors or partners. Payroll is reported before deductions for social security, income tax, insurance, union dues, etc.

Travel-generated Tax Receipts. These federal, state and local tax revenues attributable to travel in an area. For a given state locality, all or some of the taxes may apply. "Local" includes county, city or municipality, and township units of government actually collecting the receipts, and not the level that may end up receiving it through intergovernmental transfers.

Federal. These receipts include corporate income taxes, individual income taxes, employment taxes, gasoline excise taxes, and airline ticket taxes.

State. These receipts include corporate income taxes, individual income taxes, sales and gross receipts taxes, and excise taxes.

Local. These include county and city receipts from individual and corporate income taxes, sales, excise and gross receipts taxes, and property taxes.

Travel-generated Wage and Salary Income. The same as "travel-generated payroll."

Trip. A trip occurs, for the purpose of the model, every time one or more persons goes to a place 50 miles or more, each way, from home in one day, or is out of town one or more nights in paid accommodations, and returns to his/her origin. Specifically excluded from this definition are: (1) travel as part of an operating crew on a train, plane, bus, truck or ship; (2) commuting to a place of work; (3) student trips to school or those taken while in school.

Appendix C: Travel-Related Industry Measurement

SIC-NAICS Transition

The *travel industry*, as defined by TIA and covered in its research, refers to the collection of 16 types of businesses that provide goods and services to the traveler or potential traveler at the retail level. For many years, TIA selected these business types using 1987 U.S. Standard Industrial Classification (SIC) system codes.

The SIC system has been used for decades with tremendous success to classify all businesses in the U.S. by the types of products or services they make available. To its credit, the SIC system has facilitated the collection, tabulation and analysis of data. It has also promoted “apples-to-apples” comparability in statistical analyses. At the industry group level, SIC Codes report industry groups as 2 or 3 digit categories to 4 digits at their most specific.

However, as a direct consequence of rapid and widespread structural changes throughout the American economy in recent years, the SIC system has become largely outdated. Therefore, its business classification capabilities have become increasingly less than optimal.

In 1998, the United States Office of Management and Budget published a new industry classification system – the 1997 North American Industry Classification System (NAICS) to replace the SIC system. In contrast, the 2- to 6-digit NAICS industry classification system includes more useful and detailed economic data and provides a more comprehensive statistical representation of our industry. NAICS offers four major advantages over the SIC system:

Relevance: NAICS identifies hundreds of new, emerging, and advanced technology industries. Perhaps most important in terms of quantification of travel-related activity, NAICS reorganizes industries into more meaningful sectors, especially in the service-producing segments of the economy. A few examples of travel-related industries that are separately recognized for the first time:

- Convenience stores
- Gas stations with convenience stores
- Casino hotels
- Casinos
- Other gambling industries
- Bed and breakfast inns
- Limited service restaurants

International Comparability: NAICS was developed by the U.S. Office of Management and Budget (OMB) in cooperation with Statistics Canada and Mexico’s Instituto Nacional de Estadística, Geografía e Informática (INEGI). NAICS provides for comparable statistics among the three NAFTA trading partners.

Consistency: NAICS defines industries according to a consistent principle -- businesses that use similar processes are grouped together.

Adaptability: NAICS will be reviewed *every five years*, so classifications and information keep up with our changing economy.

TEIM: SIC/NAICS Industry Categories

With the transition to NAICS, TIA has adjusted its selections of the travel-related business types using the new NAICS codes and brought its travel economic research into conformity with NAICS. For measurement purposes, TIA's Travel Economic Impact Model, tracks business activity in seven (7) major travel-related industry groups. These, in turn, are comprised of sixteen (16) business subcategories.

The industry groups and subcategories used in the model are outlined below, followed by a detailed table of SIC and NAICS Codes.

Automobile Transportation Industry: Gasoline service stations, motor vehicle/parts dealers and passenger car rental.

Entertainment/Recreation Industry: Entertainment, art and recreation industry.

Foodservice Industry: Eating & drinking places, and grocery stores.

General Retail Trade Industry: General merchandise group stores and miscellaneous retail stores, including gift and souvenir shops.

Incidental Purchases Industry: See above, *General Retail Trade Industry*.

Lodging Industry: This industry includes hotels, motels, and motor hotels, camps and trailer parks.

Public Transportation Industry: Air transportation, taxicab companies, interurban & rural bus transportation, railroad passenger transportation (Amtrak) and water passenger transportation. Also is the "dummy" industry of "other transportation."

Travel Arrangement Industry: This includes travel agencies, tour operators, and other travel arrangement & reservation services.

**1987 SIC – 1997 NAICS:
Selected Travel-Related Categories**

| SIC DESCRIPTION(S) | SIC CODE(S) | NAICS DESCRIPTION(S) | NAICS CODE(S) |
|---|----------------|---|---------------------------------------|
| Accommodations | | | |
| <i>Hotels and Motels</i> | 701 | <i>Traveler Accommodation</i> | 7211 |
| <i>Recreational Vehicle Parks & Campsites</i> | 703 | <i>Recreational Vehicle Parks & Campgrounds</i> | 7212 |
| Auto Transportation | | | |
| <i>Passenger Car Rental</i> | 7514 | <i>Passenger Car Rental</i> | 532111 |
| <i>Gasoline Service Stations</i> | 554 | <i>Gasoline Stations with Convenience Stores; Other Gasoline Stations</i> | 447110; 447190 |
| <i>Automotive Dealers</i> | 55 (excl. 554) | <i>Motor Vehicle & Parts Dealers</i> | 4411; 4412; 4413 |
| Entertainment and Recreation | | | |
| <i>Amusement and Recreational Services</i> | 79 | <i>Amusement, Gambling & Recreation Industries</i> | 713 |
| | | <i>Performing Arts, Spectator Sports & Related Industries</i> | 711 |
| <i>Museums, Art Galleries, Botanical and Zoological Gardens</i> | 84 | <i>Museums, Historical Sites & Similar Institutions</i> | 712 |
| Food | | | |
| <i>Eating & Drinking Places (Alcoholic Beverages)</i> | 581 | <i>Foodservices & Drinking Places</i> | 7221; 7222; 7224 |
| <i>Grocery Stores</i> | 541 | <i>Food and Beverage stores</i> | 4451; 4452; 4453 |
| Public Transportation | | | |
| <i>Air Transportation</i> | 45 | <i>Passenger Air Transportation; Airport Support Activities</i> | 481; 4881 |
| <i>Rail - Local & Suburban Transit</i> | 4111 | <i>Rail Transportation</i> | 485112 |
| <i>Interurban & Rural Bus Carriers</i> | 413 | <i>Interurban & Rural Bus Transportation</i> | 4852 |
| <i>Charter Bus/Interstate</i> | 4142 | <i>Charter Bus (interstate/interurban)</i> | 4855102 |
| <i>Taxi & Limousine Services</i> | 412 | <i>Taxi & Limousine Services</i> | 4853 |
| <i>Water Transportation of Passengers</i> | 448 | <i>Water Passenger Transportation</i> | 483112; 483114; 483212 |
| -- | -- | <i>Scenic & Sightseeing Transportation (New industry-includes parts of SICs 4119,4489,4522,4789,7999)</i> | 487 |
| Retail | | | |
| <i>General Merchandise Stores</i> | 53 | <i>General Merchandise Stores</i> | 452 |
| <i>Miscellaneous Retail Stores</i> | 59 | <i>Other Retail Stores</i> | 453; 44611; 4483; 45111; 45112; 45121 |
| <i>Travel Arrangement</i> | 472 | <i>Travel Arrangement & Reservation Services (includes travel agencies and tour operators)</i> | 5615 |

Appendix D: Sources of Data

This appendix presents the sources of data used in this report.

Sources

Air Transport Association
American Automobile Association
Amtrak
American Society of Travel Agents
Bureau of the Census, U.S. Department of Commerce
Bureau of Economic Analysis, U.S. Department of Commerce
Bureau of Labor Statistics, U.S. Department of Labor
Bureau of Transportation Statistics, U.S. Department of Commerce
Federal Aviation Administration, U.S. Department of Transportation
Federal Highway Administration, U.S. Department of Transportation
National Park Service
Louisiana Office of Tourism
Louisiana Department of Labor, Research & Statistics Division
Peterson, Howell & Heather, Inc.
Runzheimer International Ltd.
Smith Travel Research
The Office of Travel and Tourism Industries (OTTI)/ITA, U.S. Department of Commerce
Travel Industry Association of America