

# The Economic Impact of Tourism in New York

2011 Calendar Year

Capital - Saratoga Focus



AN OXFORD ECONOMICS COMPANY

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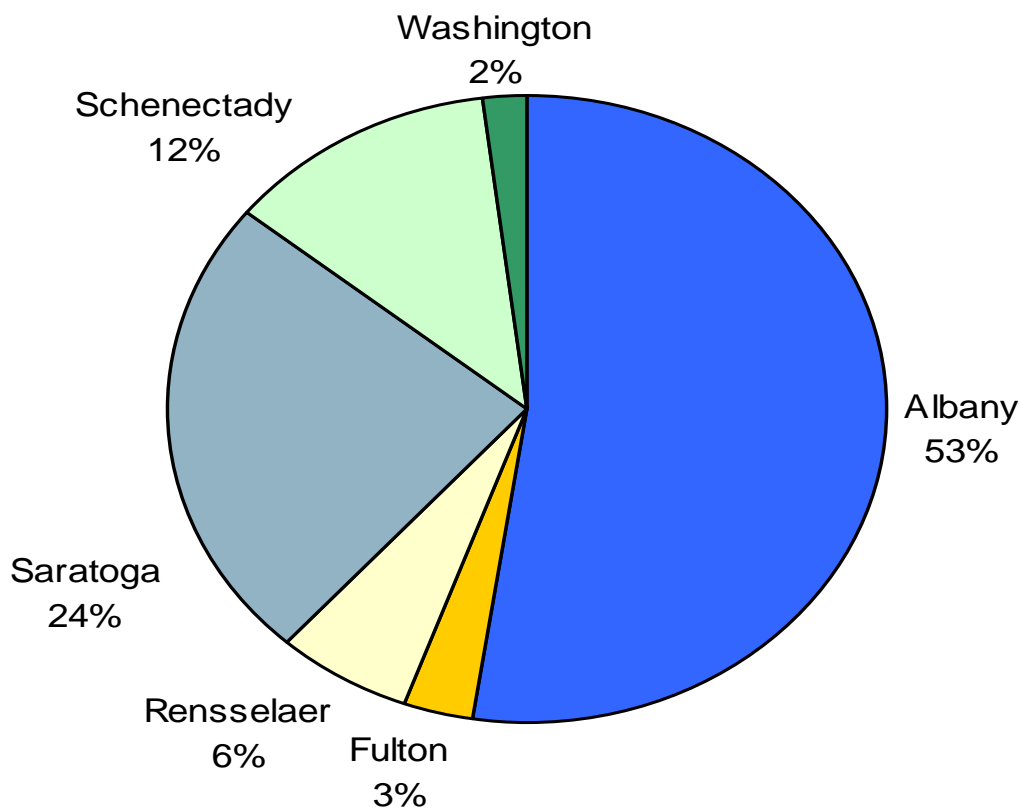
# Regional Detail for Capital-Saratoga

# Capital-Saratoga, county distribution

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## Traveler Spending

- Tourism in the Capital-Saratoga region is a \$1.6 billion industry, supporting 33,352 jobs.
- Albany County represents 53% of the region's tourism sales with \$854 million in traveler spending.
- Traveler spending in region increased 6.8% in 2011 after a 2.0% increase in 2010.



# Capital-Saratoga, total tourism impact

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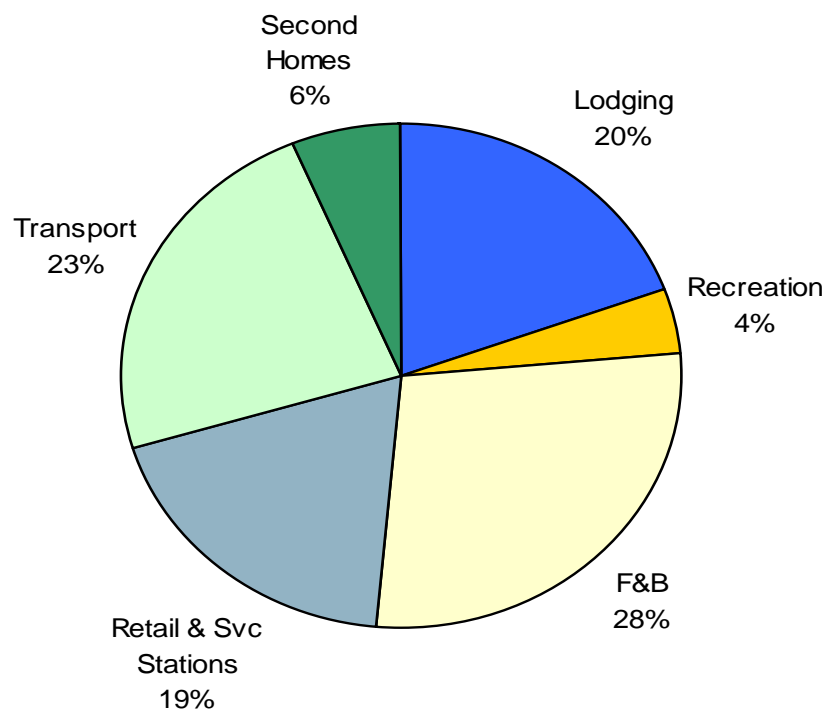
Total Tourism Impact, 2011	Traveler Spend '000	Labor Income, '000	Employment	Local Taxes '000	State Taxes '000
Albany	\$854,412	\$474,270	16,484	\$58,113	\$52,063
Fulton	\$48,825	\$17,634	751	\$2,991	\$2,975
Rensselaer	\$100,237	\$48,487	2,210	\$6,152	\$6,108
Saratoga	\$392,852	\$190,732	8,341	\$24,264	\$23,938
Schenectady	\$199,643	\$107,778	5,018	\$10,752	\$12,165
Washington	\$32,740	\$11,641	548	\$1,940	\$1,995
<b>TOTAL</b>	<b>\$1,628,710</b>	<b>\$850,543</b>	<b>33,352</b>	<b>\$104,212</b>	<b>\$99,244</b>

# Capital-Saratoga, traveler spending

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## Traveler Spending

- Travelers spent \$1.5 billion in Capital-Saratoga in 2011 across a diverse range of sectors.
- Spending on food & beverage and transportation services comprised 28% and 23% of the total, respectively.



# Capital-Saratoga, traveler spending

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2011 Traveler Spend '000s	Lodging	Recreation	F&B	Retail & Svc Stations	Transport	Second Homes	Total
Albany	\$187,621	\$21,713	\$172,198	\$144,283	\$320,502	\$8,095	\$854,412
Fulton	\$5,935	\$757	\$8,299	\$5,611	\$784	\$27,438	\$48,825
Rensselaer	\$14,078	\$5,148	\$37,576	\$20,038	\$13,473	\$9,923	\$100,237
Saratoga	\$96,746	\$26,821	\$121,299	\$86,776	\$27,313	\$33,898	\$392,852
Schenectady	\$11,110	\$10,579	\$106,773	\$48,387	\$20,263	\$2,531	\$199,643
Washington	\$3,353	\$1,271	\$4,231	\$3,502	\$145	\$20,238	\$32,740
<b>TOTAL</b>	<b>\$318,842</b>	<b>\$66,290</b>	<b>\$450,376</b>	<b>\$308,598</b>	<b>\$382,480</b>	<b>\$102,124</b>	<b>\$1,628,710</b>

# Regional growth

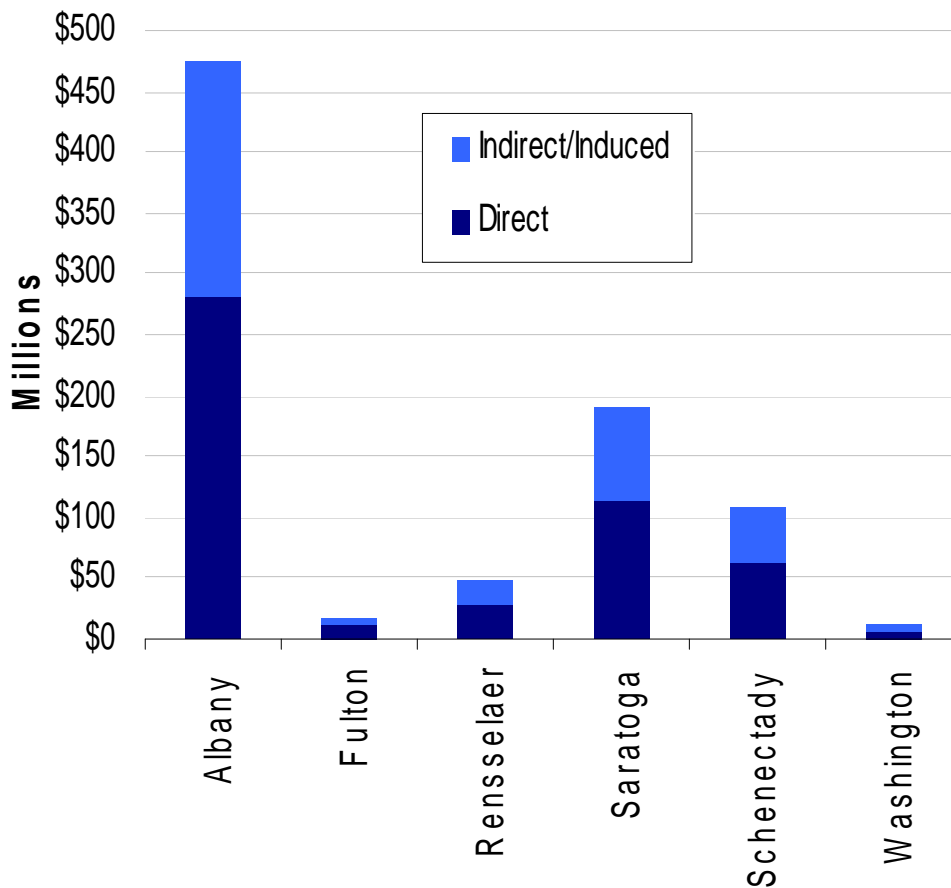
Traveler Spend '000s	2009	2010	2011	2011 / 2010 %
Albany	\$ 797,865	\$ 785,924	\$ 854,412	8.7%
Fulton	\$ 46,005	\$ 47,575	\$ 48,825	2.6%
Rensselaer	\$ 83,607	\$ 92,928	\$ 100,237	7.9%
Saratoga	\$ 357,549	\$ 376,237	\$ 392,852	4.4%
Schenectady	\$ 178,577	\$ 189,793	\$ 199,643	5.2%
Washington	\$ 32,077	\$ 32,797	\$ 32,740	-0.2%
<b>TOTAL</b>	<b>\$ 1,495,679</b>	<b>\$ 1,525,253</b>	<b>\$ 1,628,710</b>	<b>6.8%</b>

Local Taxes, \$	2009	2010	2011	2011 / 2010 %
Albany	52,730,376	\$ 54,713,197	58,113,475	6.2%
Fulton	2,952,962	\$ 2,975,927	2,990,594	0.5%
Rensselaer	5,566,715	\$ 5,840,481	6,152,071	5.3%
Saratoga	22,766,502	\$ 23,183,026	24,263,868	4.7%
Schenectady	10,455,286	\$ 10,594,634	10,751,733	1.5%
Washington	1,823,263	\$ 1,829,977	1,939,840	6.0%
<b>TOTAL</b>	<b>96,295,104</b>	<b>\$ 99,137,242</b>	<b>104,211,582</b>	<b>5.1%</b>

State Taxes, \$	2009	2010	2011	2011 / 2010 %
Albany	51,894,626	\$ 48,724,069	52,062,952	6.9%
Fulton	2,992,236	\$ 2,949,435	2,975,132	0.9%
Rensselaer	5,437,930	\$ 5,761,137	6,107,842	6.0%
Saratoga	23,255,652	\$ 23,325,135	23,938,136	2.6%
Schenectady	11,614,949	\$ 11,766,384	12,165,090	3.4%
Washington	2,086,339	\$ 2,033,299	1,994,992	-1.9%
<b>TOTAL</b>	<b>97,281,732</b>	<b>\$ 94,559,458</b>	<b>99,244,144</b>	<b>5.0%</b>

# Capital-Saratoga, labor income

## Tourism-Generated Labor Income



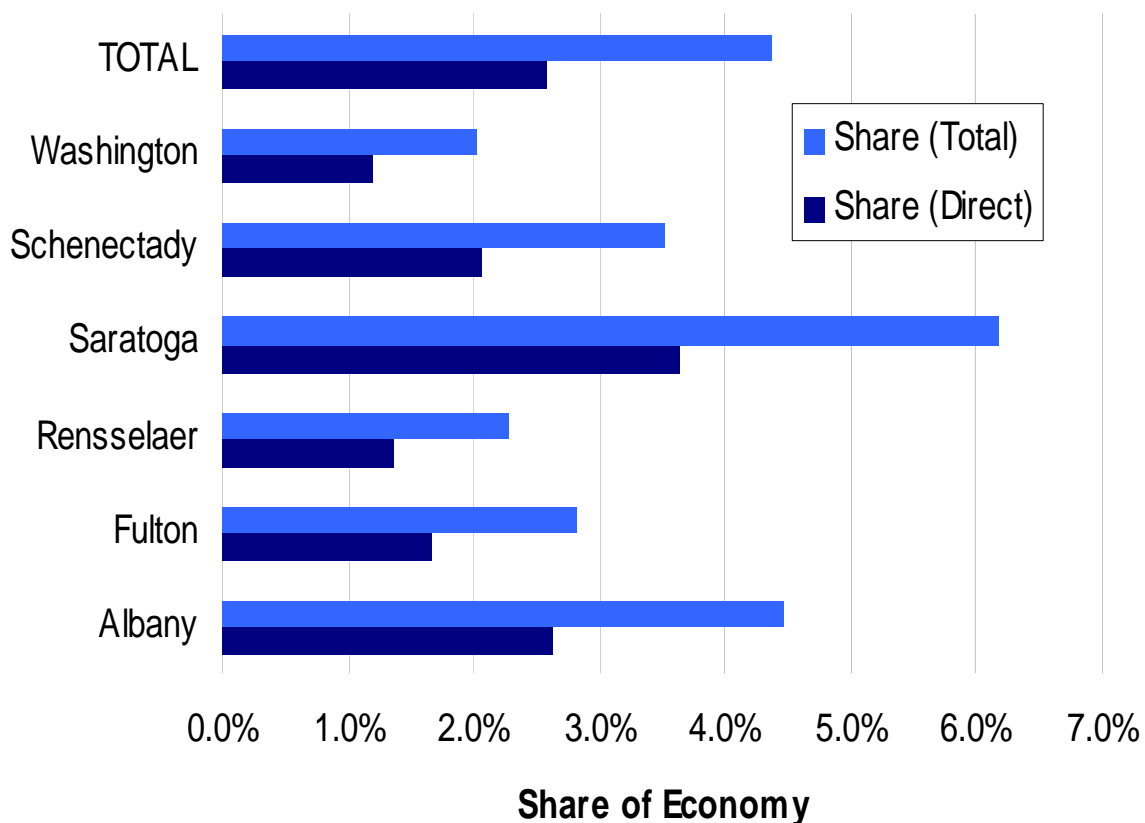
- Tourism in the Capital-Saratoga region generated \$502 million in direct labor income and \$851 million including indirect and induced impacts.
- Tourism is most significant in Albany County, generating \$474 million in labor income.



# Capital-Saratoga, labor income

## Tourism-Generated Labor Income Share of Economy, 2011

- 4.4% of all labor income in the Capital-Saratoga region is generated by tourism.
- Saratoga County is the most dependent upon tourism with 6.2% of all labor income generated by visitors.



# Capital-Saratoga, labor income

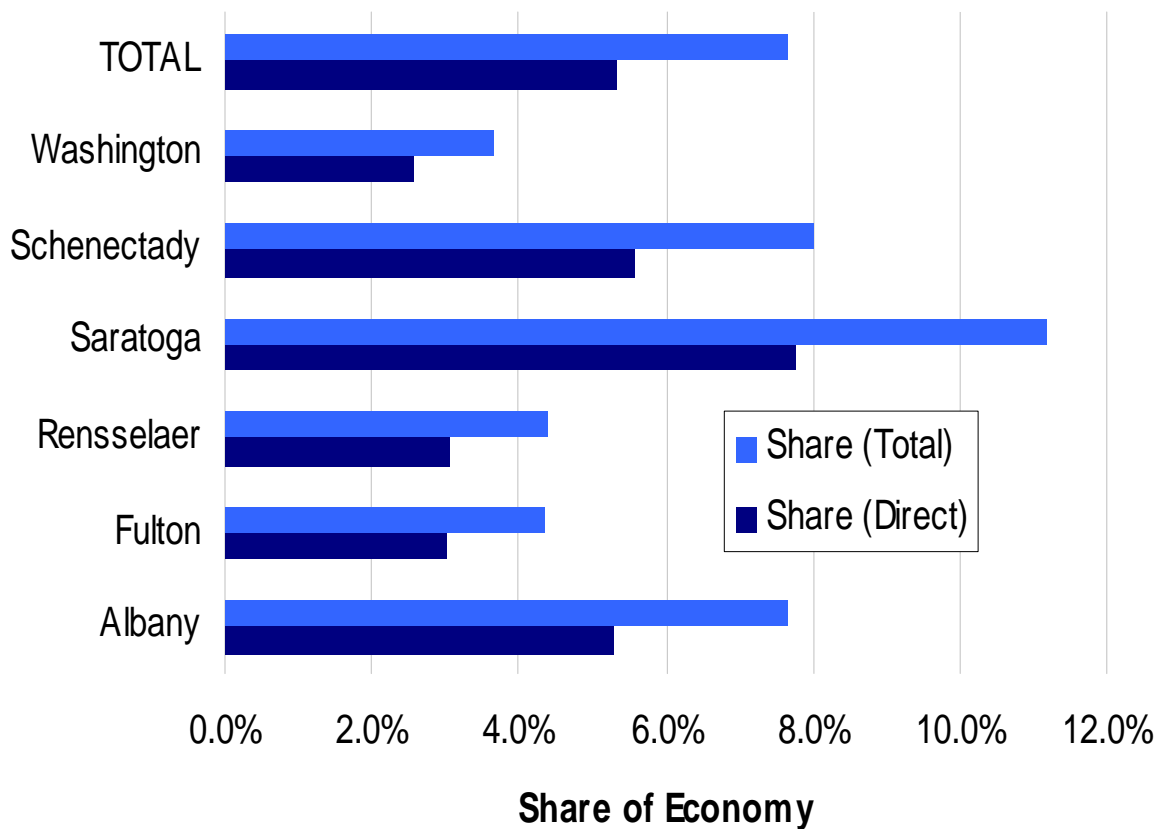
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2011 Tourism Labor Income, '000	Direct	Total (Direct, Indir., Induced)	Share (Direct)	Share (Total)
Albany	\$279,870	\$474,270	2.6%	4.5%
Fulton	\$10,406	\$17,634	1.7%	2.8%
Rensselaer	\$28,613	\$48,487	1.4%	2.3%
Saratoga	\$112,552	\$190,732	3.7%	6.2%
Schenectady	\$63,600	\$107,778	2.1%	3.5%
Washington	\$6,869	\$11,641	1.2%	2.0%
<b>TOTAL</b>	<b>\$501,910</b>	<b>\$850,543</b>	<b>2.6%</b>	<b>4.4%</b>

# Capital-Saratoga, tourism employment

## Tourism-Generated Employment Share of Economy, 2011

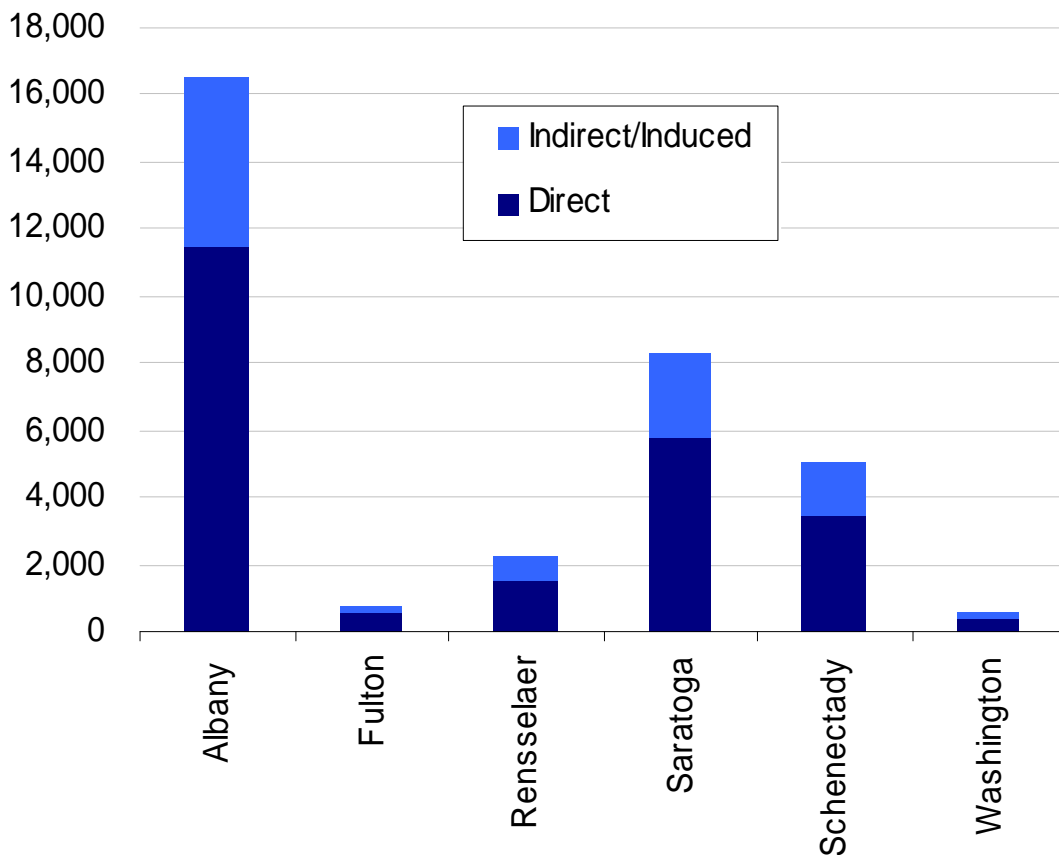
- 7.6% of all employment in the Capital-Saratoga region is generated by tourism.
- Saratoga County is again the most dependent upon tourism with 11.2% of all employment sustained by visitors.



# Capital-Saratoga, tourism employment

2011 Tourism Employment	Direct	Total (Direct, Ind., Induced)	Share (Direct)	Share (Total)
Albany	11,448	16,484	5.3%	7.6%
Fulton	521	751	3.0%	4.3%
Rensselaer	1,535	2,210	3.0%	4.4%
Saratoga	5,793	8,341	7.8%	11.2%
Schenectady	3,485	5,018	5.6%	8.0%
Washington	381	548	2.5%	3.7%
<b>TOTAL</b>	<b>23,163</b>	<b>33,352</b>	<b>5.3%</b>	<b>7.6%</b>

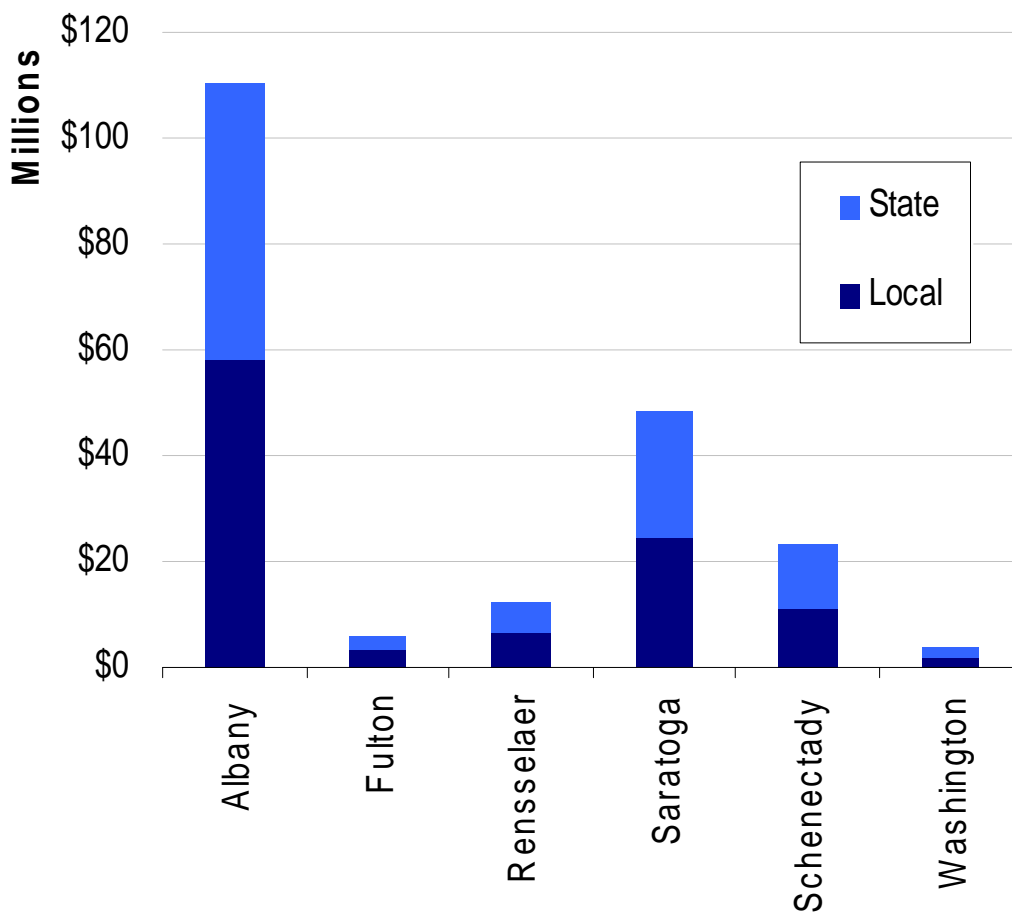
**Tourism-Generated Employment, 2011**



# Capital-Saratoga, tourism taxes

## Tourism-Generated Taxes, 2011

- Tourism in the Capital-Saratoga region generated \$203 million in state and local taxes in 2011.
- Sales, property, and hotel bed taxes generated \$104 million in local taxes.
- Albany County produced 54% of the region's tourism tax base in 2011.



# Capital-Saratoga, tourism taxes

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Tourism-Generated Taxes, 2011	Local Taxes	State Taxes	Total	Region Share
Albany	\$58,113,475	\$52,062,952	110,176,427	54.2%
Fulton	\$2,990,594	\$2,975,132	5,965,726	2.9%
Rensselaer	\$6,152,071	\$6,107,842	12,259,913	6.0%
Saratoga	\$24,263,868	\$23,938,136	48,202,004	23.7%
Schenectady	\$10,751,733	\$12,165,090	22,916,823	11.3%
Washington	\$1,939,840	\$1,994,992	3,934,833	1.9%
<b>TOTAL</b>	<b>\$104,211,582</b>	<b>\$99,244,144</b>	<b>203,455,726</b>	<b>100.0%</b>

# Methods and data sources

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- Household surveys from the US Travel Association and Longwoods International have provided key inputs in establishing traveler spending figures by
- Employment definitions. The basis of our data and modeling is the Regional Economic Information System (REIS), Bureau of Economic Analysis, U.S. Department of Commerce. This is different than the NYS Department of Labor data source (ES202/QCEW). The main definitional difference is that sole-proprietors, which do not require unemployment insurance and are not counted in the ES202 data. BEA data shows (for example) state accommodations employment at 89,124, compared with QCEW at 82,190. For total employment (across all sectors), the difference is 20%.
- International methodology. Our approach (through Travel Industry Association calculations) is based the estimates on direct survey responses to the Department of Commerce in-flight survey and Statistics Canada data – constrained to BEA international balance of payments data. The NY data are consistent with TIA's state-by-state distribution which ensures against overestimation.
- Bottom-up vs. top-down. We have based our research on tourism expenditure analysis from surveys and controls to known industry measurements for key tourism sectors.

# Methods and data sources

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- Local taxes are a build-up of individual categories (sales, occupancy, property). The model is not equipped to deal with individual exemptions such as Indian gaming.
- Second home expenditures are based on the stock of seasonal second home inventory. Annual average expenditures for housing are pro-rated to the season length to account for various levels of expenditures not accounted in visitor surveys.
- Lodging sector. Our models use survey information and constrains this to the value of the hotel sector in each county. This can vary from certain bed tax estimates of total revenue for several reasons. One is that the bed tax may only be based on room revenue while total sales for the industry may include other revenue sources (room service, phone, etc.). Another is that certain smaller establishments may not fully report or be required to report their revenue.



# Methods and data sources

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- Tourism Economics utilized the IMPLAN input-output model for New York State to track the flow of sales through the economy to the generation of GDP, employment, wages, and taxes.
- The impacts are measured on three levels:
  - **Direct impact:** The immediate benefit to persons and companies directly providing goods or services to travelers.
  - **Indirect impact:** The secondary benefit to suppliers of goods and services to the directly-involved companies. For example, a food wholesaler providing goods to a restaurant. The model is careful to exclude imports from the impact calculations.
  - **Induced impact:** The tertiary benefit to the local economy as incomes in the prior two levels of impact are spent on goods and services. For example, a restaurant employee spends his wages at a grocery store, generating addition economic output.

# About Tourism Economics

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- Tourism Economics, headquartered in Philadelphia, is an Oxford Economics company dedicated to providing high value, robust, and relevant analyses of the tourism sector that reflects the dynamics of local and global economies. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, project feasibility analysis, tourism forecasting models, tourism policy analysis, and economic impact studies.
- Our staff have worked with over 100 destinations to quantify the economic value of tourism, forecast demand, guide strategy, or evaluate tourism policies.
- Oxford Economics is one of the world's leading providers of economic analysis, forecasts and consulting advice. Founded in 1981 as a joint venture with Oxford University's business college, Oxford Economics is founded on a reputation for high quality, quantitative analysis and evidence-based advice. For this, it draws on its own staff of 40 highly-experienced professional economists; a dedicated data analysis team; global modeling tools; close links with Oxford University, and a range of partner institutions in Europe, the US and in the United Nations Project Link.
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