

**Portland Region**  
***Travel Impacts***  
***2017p***

***May 2018***

*Prepared for*

Travel Portland

## Executive Summary

This report provides detailed travel impact estimates for the Portland Region from 1991 to 2017. For purposes of this analysis, the Portland Region is defined as the cities of Portland and Gresham, plus Washington, Columbia, and metropolitan Clackamas counties. Almost three-fourths of travel spending and travel-generated earnings in the Portland Region occurs in Multnomah County. This is due to the location of Portland International Airport and the volume of business and convention travel in the county. However, the appeal of the Portland Region as a visitor destination is based on attractions throughout the region. With respect to employment impacts, residents of all three counties commute to work at locations throughout the metro area. The estimates for 2017 are preliminary. These estimates were produced using the Regional Travel Impact Model (RTIM) developed by Dean Runyan Associates. The estimates are comparable to the U.S. Travel and Tourism Satellite Accounts produced by the U.S. Bureau of Economic Analysis.

- **Overview.** Visitation and travel spending in the Portland Metro area increased for the eighth year in a row and employment increased for the seventh consecutive year.
- **Spending.** Travel spending (\$5.1 billion in 2017) in the Portland Metro area increased by 5.3 percent for the year in current dollars. In real (inflation-adjusted) dollars, the increase was 4.7 percent.
- **Employment.** Travel-generated employment (35,280 jobs in 2017) increased by 4.4 percent for the year. The average annual rate of employment growth over the past five years has been 4.2 percent.
- **Travel Activity.** There were 8.6 million overnight person-trips to the Portland Region in 2017, a 2.6 percent increase over 2016. Visitor air arrivals on domestic airlines were up 5.1 percent for the year, compared to a 10.4 percent increase the preceding year.

1. Estimates for 1991 through 1999 and other years not reported are available upon request.

## Recent Travel Trends in the Portland Region

Total direct travel spending in the Portland Region was \$5.1 billion in 2017p. This represents a 5.4 percent increase over the preceding year in current dollars. Travel-generated employment increased by 2.2 percent, the seventh consecutive year of employment growth.

The following table represents travel trends in the Portland Region. All 2017 estimates are preliminary and subject to revision.

<b>Portland Region</b>									
<b>Direct Travel Impacts, 2000-2017p</b>									
Cities of Portland and Gresham, plus Washington, Columbia, and metropolitan Clackamas counties									
								<b>Ave. Annual Chg.</b>	
<b>Spending (\$M)</b>									
Total (Current \$)	2,698	3,621	4,076	4,672	4,867	5,129	5.4%	3.9%	
Other	834	1,001	1,079	1,181	1,223	1,297	6.0%	2.6%	
Visitor	1,865	2,620	2,997	3,490	3,644	3,833	5.2%	4.3%	
Non-transportation	1,178	1,628	1,913	2,286	2,447	2,575	5.2%	4.7%	
Transportation	687	992	1,084	1,204	1,197	1,258	5.1%	3.6%	
<b>Earnings (\$M)</b>									
Earnings (Current \$)	677	813	931	1,134	1,239	1,328	7.2%	4.0%	
<b>Employment (Jobs)</b>									
Employment	26,010	28,700	29,400	32,830	34,510	35,280	2.2%	1.8%	
<b>Tax Revenue (\$M)</b>									
Total (Current \$)	102	146	169	222	236	256	8.2%	5.6%	
Local	45	72	82	122	125	134	6.9%	6.6%	
State	57	74	87	100	111	122	9.7%	4.6%	

**Other spending** includes resident air travel, travel arrangement and reservation services, and convention and trade show organizers. **Non-transportation visitor spending** includes accommodations, food services, retail, food stores, and arts, entertainment & recreation. **Visitor transportation spending** includes private auto, auto rental, other local ground transportation and one-way fares.

**Earnings** include wages & salaries, earned benefits and proprietor income.

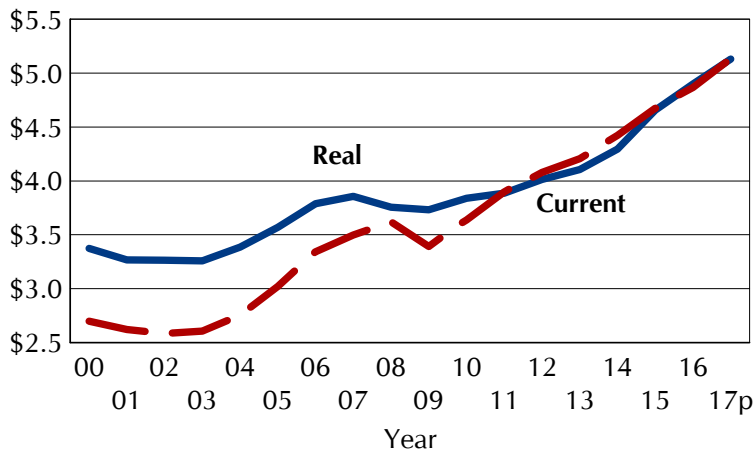
**Employment** includes all full- and part-time employment of payroll employees and proprietors.

**Local tax revenue** includes lodging taxes, auto rental taxes and airport passenger facility charges paid by visitors.

**State tax revenue** includes lodging, and motor fuel tax payments of visitors, and the income tax and payments attributable to the travel industry income of businesses and employees.

**Federal tax revenue** includes motor fuel excise taxes and airline ticket taxes paid by visitors, and the payroll and income taxes attributable to the travel industry income of employees and businesses.

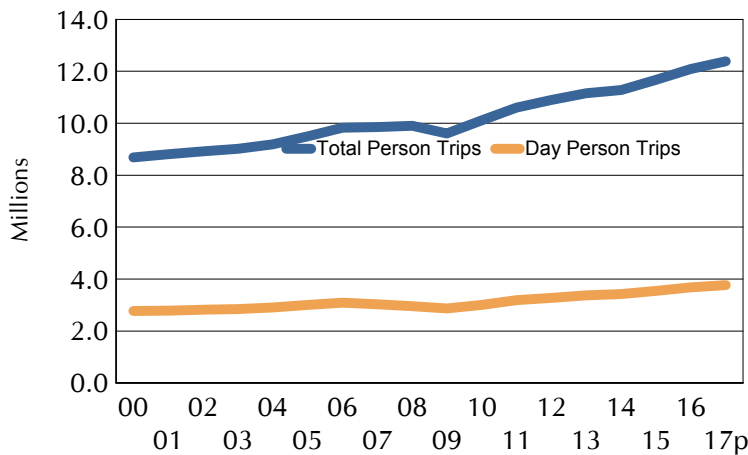
**Travel Spending (Millions)**



The top graph shows travel spending in current dollars (no inflation adjustment) and real dollars (adjusted for inflation). In real dollars, travel spending increased by 4.7 percent from 2016 to 2017. In current dollars, spending increased by 5.4 percent.

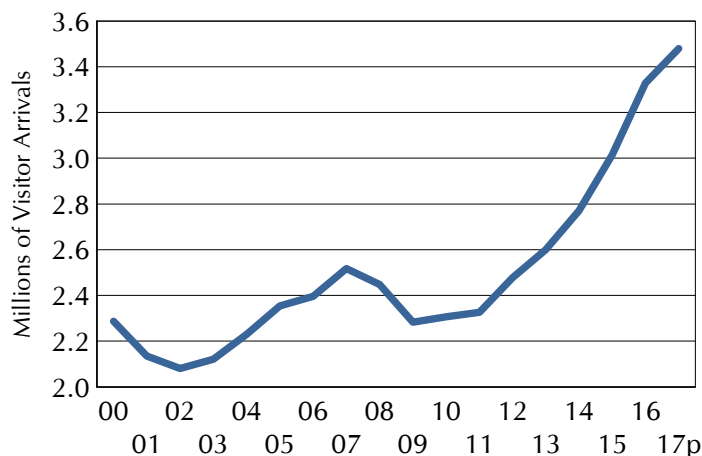
Sources: Bureau of Labor Statistics CPI, STR Inc., Energy Information Administration and Bureau of Transportation Origin and Destination Survey.

**Total & Day Person Trips**



Total person trips increased 2.5 percent from 2016 to 2017p. Day person trips increased 2.3 percent during the same time period. Since 2010, total person trips have increased by 3 percent per year. *(A more detailed breakout of overnight visitor volume is shown on page 7)*

**Visitor Air Arrivals (Millions)**



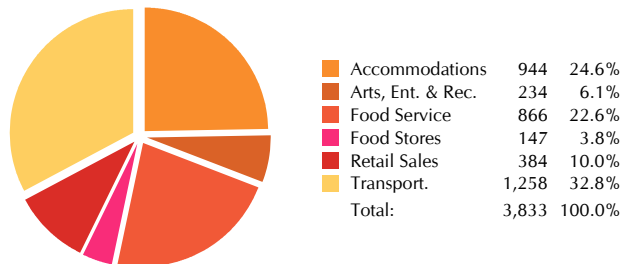
Visitor air arrivals on domestic airlines are shown in the bottom graph for the years 2000 through 2017p. Visitor arrivals increased by 4.5 percent in the recent year following a 10.4 percent increase from 2015 to 2016.

Source: Bureau of Transportation Origin and Destination Survey

## Detailed Travel Impacts

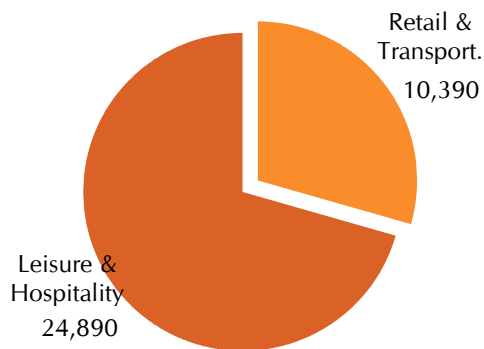
### Visitor Spending by Type of Commodity

(Millions)



**Spending.** Nearly one-third of all visitor spending was on air and ground transportation (including gas service) in 2017. The leisure and hospitality sector (lodging; food services; and arts, entertainment and recreation) accounted for more than one-half of all visitor spending.

### Travel-Generated Employment by Industry Sector



*Leisure and Hospitality (71%) Retail & Transport. (29%)*

**Employment.** The leisure and hospitality sector accounts for a much higher proportion of employment (71 percent) because it is more labor-intensive and service-oriented.

**Arts, Entertainment & Recreation.** Visitors spent \$234 million on arts, entertainment and recreation in 2017. This spending supported 3,090 jobs with earnings of \$80 million. Slightly more than one-half of this visitor spending (\$124 million) was on cultural tourism, including theater, music, and art and science exhibits. Other recreational activities (\$110 million) include cruises, tours, biking, hikes and sporting events.

**Tax Revenue.** Travel spending in the Portland Region generated \$133.8 million in local tax revenues in 2017. Local taxes include city lodging taxes, county lodging and auto rental taxes, and passenger facility charges for visitors traveling by air to Portland International airport.[1] Property taxes are not included. The state tax receipts generated by travel spending (\$122 million in 2017) include the motor fuel tax, the state one-percent lodging tax and income tax revenues attributable to travel supported income of individuals and businesses.

Detailed travel impacts, average spending and visitor volume for the Portland Region are shown on the following two pages.

[1] The \$6 per day customer facility charge on rental cars at Portland International Airport is not included.

## Portland Region

### Travel Impacts, 2008-2017p

<b>Total Direct Travel Spending (\$Million)</b>							
	<b>2008</b>	<b>2010</b>	<b>2012</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Destination Spending	2,620.0	2,614.2	2,996.9	3,275.8	3,490.5	3,643.7	3,832.6
Other Travel*	1,001.1	1,024.8	1,079.3	1,142.1	1,181.4	1,222.9	1,296.7
<b>Total</b>	<b>3,621.1</b>	<b>3,639.0</b>	<b>4,076.2</b>	<b>4,417.9</b>	<b>4,671.9</b>	<b>4,866.6</b>	<b>5,129.3</b>

<b>Visitor Spending By Commodity Purchased (\$Million)</b>							
	<b>2008</b>	<b>2010</b>	<b>2012</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Accommodations	514.9	471.5	607.3	705.1	811.1	886.2	943.5
Food Service	530.5	563.4	646.6	706.6	756.8	814.8	866.3
Food Stores	108.9	109.2	124.5	134.2	141.1	144.3	146.7
Local Tran. & Gas	472.0	426.1	512.6	529.2	497.9	483.7	522.9
Arts, Ent. & Rec.	177.3	177.8	195.9	205.5	214.6	226.0	234.1
Retail Sales	296.2	306.5	338.6	350.2	362.6	375.3	384.0
Visitor Air Tran.	520.4	559.7	571.4	645.1	706.3	713.5	735.0
<b>Total</b>	<b>2,620.0</b>	<b>2,614.2</b>	<b>2,996.9</b>	<b>3,275.8</b>	<b>3,490.5</b>	<b>3,643.7</b>	<b>3,832.6</b>

<b>Industry Earnings Generated by Travel Spending (\$Million)</b>							
	<b>2008</b>	<b>2010</b>	<b>2012</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Accom. & Food Serv.	384.1	375.3	451.1	510.7	558.6	614.4	666.1
Arts, Ent. & Rec.	58.1	54.7	64.8	67.3	71.0	75.4	80.1
Retail**	55.0	55.2	61.6	66.2	70.5	75.1	79.7
Ground Tran.	36.1	33.4	37.9	42.0	46.2	47.2	50.6
Visitor Air Tran.	86.8	92.9	101.5	119.0	134.2	144.9	149.9
Other Travel*	193.4	196.5	214.2	233.7	253.7	281.5	301.8
<b>Total</b>	<b>813.5</b>	<b>808.1</b>	<b>931.1</b>	<b>1,039.0</b>	<b>1,134.3</b>	<b>1,238.5</b>	<b>1,328.2</b>

<b>Industry Employment Generated by Travel Spending (Jobs)</b>							
	<b>2008</b>	<b>2010</b>	<b>2012</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Accom. & Food Serv.	16,540	15,760	17,970	19,370	20,160	21,260	21,800
Arts, Ent. & Rec.	2,580	2,430	2,610	2,770	2,840	3,030	3,090
Retail**	2,140	2,080	2,250	2,340	2,390	2,450	2,560
Ground Tran.	1,340	1,170	1,280	1,340	1,420	1,360	1,410
Visitor Air Tran.	1,780	1,540	1,550	1,690	1,860	1,980	2,010
Other Travel*	4,310	3,710	3,740	3,980	4,160	4,430	4,410
<b>Total</b>	<b>28,700</b>	<b>26,700</b>	<b>29,400</b>	<b>31,490</b>	<b>32,830</b>	<b>34,510</b>	<b>35,280</b>

<b>Tax Receipts Generated by Travel Spending (\$Million)</b>							
	<b>2008</b>	<b>2010</b>	<b>2012</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Local Tax Receipts	71.8	67.2	82.2	104.4	121.6	125.2	133.8
State Tax Receipts	73.9	72.3	86.9	93.5	100.4	111.3	122.0
<b>Total</b>	<b>145.7</b>	<b>139.5</b>	<b>169.0</b>	<b>197.9</b>	<b>222.0</b>	<b>236.5</b>	<b>255.8</b>

Details may not add to total due to rounding. \* Other Travel includes ground transportation and air travel impacts for travel to other Oregon visitor destinations and travel arrangement services. \*\* Retail includes gasoline. Federal tax receipts not included.

Travel impact estimates are subject to historical revisions due to new data availability, third party data revisions and/or methodology improvements.

## Spending by Type of Accommodation & Overnight Visitor Volume

### Visitor Spending by Type of Traveler Accommodation (\$Million)

	2008	2010	2012	2014	2016	2017
<b>Total Destination Spending</b>	<b>2,620</b>	<b>2,614</b>	<b>2,997</b>	<b>3,276</b>	<b>3,644</b>	<b>3,833</b>
All Overnight	2,234	2,222	2,549	2,803	3,140	3,306
Hotel, Motel, STVR*	1,474	1,439	1,708	1,908	2,190	2,324
Private Home	732	757	813	866	920	952
Other Overnight	27	26	28	29	30	30
Day Travel	386	392	448	472	504	526
Day Travel	386	392	448	472	504	526

### Average Expenditures for Overnight Visitors, 2017p

By Type of Accommodation and Mode of Transportation

	Party		Person		Party Size	Length of Stay
	Day	Trip	Day	Trip		
<b>Hotel, Motel, STVR*</b>						
All Modes	\$499	\$1,229	\$237	\$569	2.1	2.5
Air	\$505	\$1,543	\$273	\$836	1.8	3.1
Ground	\$492	\$1,007	\$207	\$424	2.4	2.0
<b>Private Home</b>						
All Modes	\$118	\$441	\$60	\$219	2.0	3.7
Air	\$125	\$689	\$71	\$393	1.8	5.5
Ground	\$73	\$219	\$35	\$103	2.1	3.0
<b>Other Overnight</b>						
All Modes	\$118	\$473	\$39	\$155	3.0	4.0
<b>All Overnight</b>						
All Modes	\$254	\$803	\$125	\$383	2.0	3.2
<b>Day</b>						
All Modes	\$197	\$197	\$140	\$140	1.4	1.0

### Overnight Visitor Volume, 2015-2017p

	Person-Nights (000)			Party-Nights (000)		
	2015	2016	2017	2015	2016	2017
All Overnight	25,069	25,866	26,429	12,253	12,705	13,000
Hotel, Motel, STVR*	8,903	9,375	9,806	4,203	4,448	4,654
Private Home	15,394	15,709	15,844	7,795	7,999	8,089
Other Overnight	772	782	778	255	258	257
Day	3,547	3,678	3,763	2,516	2,608	2,669
<b>Total</b>	<b>28,616</b>	<b>29,543</b>	<b>30,192</b>	<b>14,769</b>	<b>15,313</b>	<b>15,669</b>
	Person-Trips (000)			Party-Trips (000)		
	2015	2016	2017	2015	2016	2017
All Overnight	8,123	8,408	8,624	3,860	4,010	4,115
Hotel, Motel, STVR*	3,709	3,905	4,085	1,710	1,808	1,892
Private Home	4,219	4,305	4,342	2,086	2,137	2,159
Other Overnight	195	198	197	64	65	64
Day	3,547	3,678	3,763	2,516	2,608	2,669
<b>Total</b>	<b>11,670</b>	<b>12,086</b>	<b>12,387</b>	<b>6,376</b>	<b>6,618</b>	<b>6,784</b>