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FLORIDA TOURISM STRONG AFTER HURRICANES AND 9-11 *Visitors Have a Growing Impact on Florida Jobs and Wages*

TALLAHASSEE — Florida's tourism trade is resilient and reliable, showing a continued rebound of tourism-related employment and spending from 9-11 and the hurricanes of the past two summers. That's the conclusion of Florida TaxWatch, in its research report *"The Impact of Tourism on Florida's Economy: Telling a More Complete Story."* The report notes that almost 86 million visitors a year come to Florida, more than ever before.

According to Florida TaxWatch, tourism employment and compensation, spending by tourists, and sales tax revenues have all increased, despite previous setbacks from 9-11 and most recently from the hurricanes. Among the key findings:

- Direct tourism-related employment increased 5.7% from 2002 to 2004 and accounts for 12% of all non-agricultural jobs in Florida, a percentage that has remained constant since 2000.
- Direct, indirect, and induced benefits of travel will generate from \$103 to \$136 billion in economic output by the year 2010 and 1.5 million to 1.8 million jobs for Florida.
- The average compensation, including wages and fringe benefits, of all direct and indirect tourism-related employment is \$42,000.
- Tourism and recreational activities of all visitors and Floridians generated \$57 billion in taxable transactions in 2004 compared to \$43.8 billion in 1998, a 30% increase.
- Those activities will generate an estimated \$12 billion to \$13.8 billion in general state taxes between 2005 and 2010.

One impact of the 9-11 attacks was a marked shift from air travel to non-air (auto, boat, train, bus) travel. Today, their numbers are about equal. Whether Florida continues to recover the bigger-spending air travelers remains to be seen.

The report is part of a comprehensive on-going study by the Florida TaxWatch Center for Tourism that looks at the benefits and costs of tourism on Florida's economy and, by extension, on the quality of life for Florida's citizens.

"Tourism is extremely important to the future viability and competitiveness of Florida's economy, to the prosperity and quality of life of Florida residents, and to Florida's business climate," said Dominic M. Calabro, President and CEO of the non-profit, state government watchdog and research institute.

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“Barring any perpetual or long-lived economic disruptions, the prospect for Florida tourism to significantly grow is very good,” said Calabro.

The report utilized sophisticated forecasting and simulation models to examine the direct and indirect impact of tourism on Florida’s economy in terms of output, wages, and employment.

The research found that the costs of tourism are insignificant. Florida’s crime rate has declined steadily over the same period that tourism has substantially increased. The report also found that while contributing to traffic congestion in tourist-affected areas, congestion compared to other big cities in America is higher only in Orlando and Miami. Florida’s other urban areas have less traffic congestion than those in other states.

“As this research shows, the tourism infrastructure in Florida enhances the quality of life for all Floridians,” said Bud Nocera, President and CEO of VISIT FLORIDA. “We receive economic benefits in addition to unparalleled leisure opportunities from our man-made and natural attractions, restaurants and accommodations.”

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Florida TaxWatch is a private, non-profit, non-partisan research institute that over its 26 year history has become widely recognized as the watchdog of citizens’ hard-earned tax dollars. Our mission is to provide the citizens of Florida and public officials with high quality, independent research and education on government revenues, expenditures, taxation, public policies and programs and to increase the productivity and accountability of Florida Government. On the web at www.floridataxwatch.org