

# Utah Economic and Business Review

## Highlights

This state of the industry report provides a comprehensive overview of tourism, travel and recreation-related spending, employment, wages, visitation, sales, tax revenue, and industry performance in Utah.

- Utah's travel, tourism and recreation (TTR) industry spent a record \$7.4 billion in the Utah economy during 2012. Nonresident visitor spending (\$5.3 billion) benefitted the Utah economy in a similar way to merchandise exports. Nonresident visitor spending expands the economy, supports new jobs and generates income for Utah residents. If TTR were an export it would be the state's second largest export behind primary metals (\$12.2 billion) and ahead of computers and electronics (\$2.2 billion).
- Utah's TTR industry accounts for an estimated 129,088 total jobs (direct, indirect and induced) in the Utah economy. Approximately one in every 10 jobs in the state's economy is in the TTR industry, directly or indirectly. Between 2003 and 2012, total direct leisure and hospitality jobs and wages increased 19 percent and 28 percent, respectively. Over 40 percent of total private jobs in Daggett, Garfield, Grand, Kane, Summit and Wayne counties are in the leisure and hospitality sector.
- In calendar year 2012, taxable sales in the leisure and hospitality sector totaled \$5.3 billion. Total annual leisure and hospitality sales increased 8 percent between 2008 and 2012 and 6 percent between 2011 and 2012.
- Utah received an estimated upper bound of \$960.6 million in direct, indirect and induced TTR-related tax revenues in 2012. Total direct TTR-related tax revenues grew 42 percent from 2003 to 2012, and 13 percent from 2011 to 2012.
- In 2012 Utah recorded 6.6 million national park visits, 5.1 million national place visits, 5.1 million state park visits, as well as 4.0 million skier days during the 2012/2013 season.
- Utah's arts, entertainment and recreation industry had the strongest economic performance between 2008 and 2012, followed by Utah's foodservice industry and Utah's accommodations industry. Utah's travel industry experienced the most fluctuations in jobs, wages and real state GDP during the same five years.

## The State of Utah's Tourism, Travel and Recreation Industry

Jennifer Leaver, Research Analyst

Utah has a diverse tourism, travel and recreation (TTR) industry, which generates jobs and income for Utah residents and produces tax revenue for the state. Domestic and international tourists, travelers, and recreationists (travelers<sup>1</sup>) are drawn to Utah's natural, cultural, and historical assets. Utah has 14 ski resorts, 11 of which are within one hour of Salt Lake City International Airport, as well as five national parks, seven national monuments, two national recreation areas, one national historic site and 43 state parks. Throughout the year, Utah hosts several arts events, such as the Sundance Film Festival, Utah Shakespeare Festival, Moab Music Festival and Utah Arts Festival, in addition to well-attended athletic events, meetings, conventions and tradeshow. While traveling in and around Utah, travelers spend their money on a variety of goods and services, which defines the TTR industry. This report provides a comprehensive overview of TTR-related spending, employment, wages, visitation, sales, tax revenue, and industry performance in Utah.

## Utah Travel Regions

For purposes of this report, BEBR divided Utah into seven travel regions, organized by geographic areas and counties. Figure 1 shows each Utah travel region with its share of the state's 2012 population. *The Wasatch Front*<sup>2</sup>, Utah's metropolitan hub, is bordered by mountains on the east and lakes on the west. In general, travelers visit the Wasatch Front to ski, attend arts and cultural events, visit local attractions, and shop and dine. The *North Mountains*<sup>3</sup> includes large portions of Wasatch-Cache and Uinta National Forests, mountain topography, and eight state parks. *Eastern Utah*<sup>4</sup> offers trout fishing, boating and river rafting opportunities in and around Flaming Gorge National Recreation Area, as well as abundant paleontological, archaeological and geological sites further south. *Northwestern Utah*<sup>5</sup> provides basin and range geography, with rugged

1. In this report, and unless stated otherwise, "travelers" include both Utah residents and nonresidents who traveled away from home at least 50 one-way miles to reach an overnight destination.

2. Weber, Davis, Salt Lake and Utah counties.

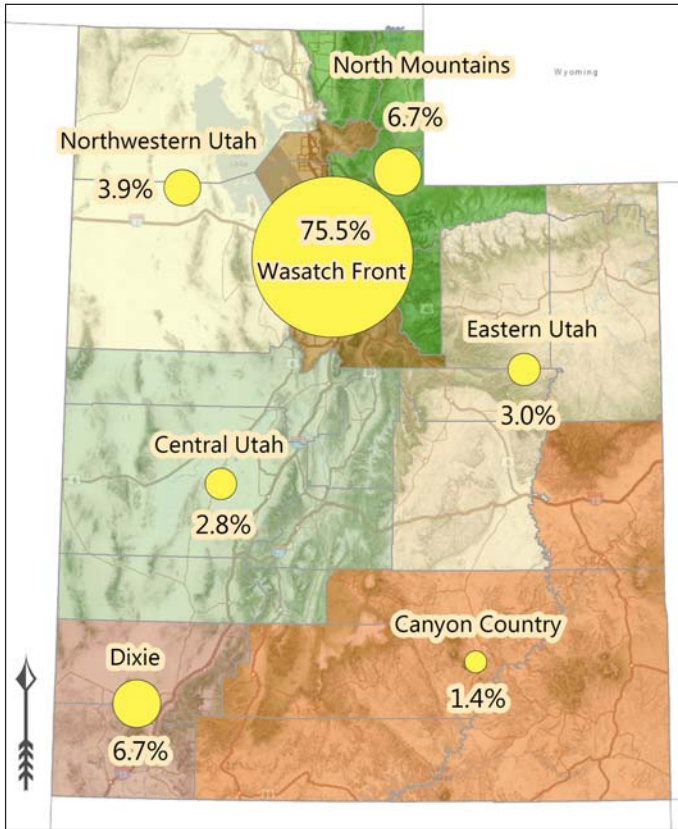
3. Cache, Rich, Morgan, Summit and Wasatch counties.

4. Daggett, Uintah, Duchesne, Carbon, and Emery counties.

5. Box Elder, Tooele, and Juab counties.

mountains, endless vistas, and the unique Great Salt Lake ecosystem. *Central Utah*<sup>6</sup> located in the “heart” of the state, comprises rolling hills, agricultural lands, historic sites, and popular ATV trail systems. *Canyon Country*<sup>7</sup> which is home to four of Utah’s five national parks, attracts visitors to its unique geology, recreational opportunities and scenic beauty. *Dixie*<sup>8</sup> in southwestern Utah, is the gateway to Zion National Park and is the warmest region in the state, making it a fine area for year-round golf and leisure.

Figure 1. Map of Utah Travel Regions and Census Population Share, 2012

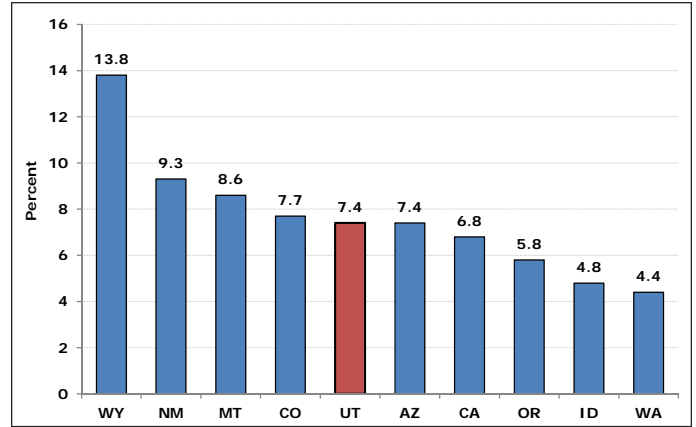


Source: BEBR Analysis of U.S. Census Bureau Data.  
Map by Natalie Young, BEBR | February 2014

## Utah Tourism, Travel and Recreation in a National Context

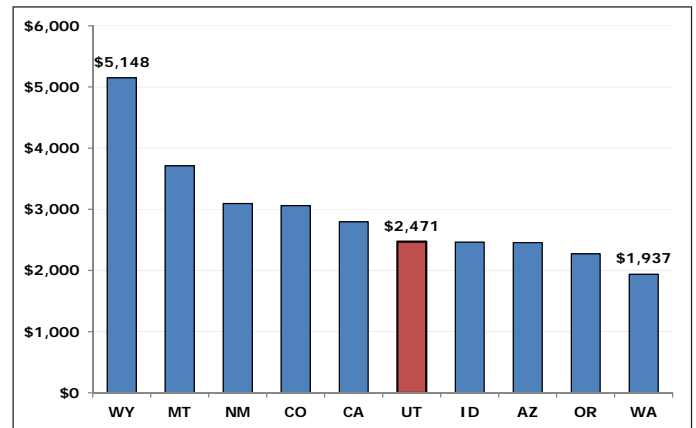
The U.S. Travel Association (USTA) touts travel as “one of the United States’ leading industries and largest employers” (USTA, 2012). According to USTA, domestic and international travelers spent an estimated \$855 billion in the U.S. in 2012, generating nearly 8 million jobs, \$200 billion in payroll, and \$129 billion in tax revenue. Domestic travelers accounted for 85 percent of 2012 traveler spending in the U.S., while international travelers accounted for the remaining 15 percent. In 2012, traveler spending in the U.S. increased 5.3 percent from 2011. In fact, USTA states that the travel industry “added more jobs to the U.S. economy than the construction and real estate industries combined” and that “one in eight U.S. non-farm jobs depends on travel” (USTA, 2012).

Figure 2: Travel-Generated Employment Share of Total Private Industry Employment, Ten Western States, 2011



Source: U.S. Travel Association

Figure 3: Per Capita Travel-Related Expenditures, Ten Western States, 2011



Source: BEBR Analysis of U.S. Travel Association and U.S. Census data

In 2011, USTA ranked Utah 34<sup>th</sup> in the nation for domestic travel-related expenditures, with California, Florida, Texas, New York, Illinois and Nevada topping their list.<sup>9</sup> However, Utah ranks higher when looking at direct travel-generated job *share* and *per capita* travel-related expenditures. For instance, when comparing all 50 states’ share of travel-generated jobs to total jobs, Utah ranked 17<sup>th</sup> in the nation with a reported 7.4 percent share in 2011, ahead of California (19<sup>th</sup>), Texas (23<sup>rd</sup>), Illinois (28<sup>th</sup>) and New York (29<sup>th</sup>). Utah falls in the middle when compared with nine western states by travel-generated job share (Figure 2) and per capita travel-related expenditures (Figure 3).<sup>10</sup>

6. Millard, Beaver, Sanpete, Sevier, and Piute counties.

7. Grand, San Juan, Wayne, Garfield, and Kane counties.

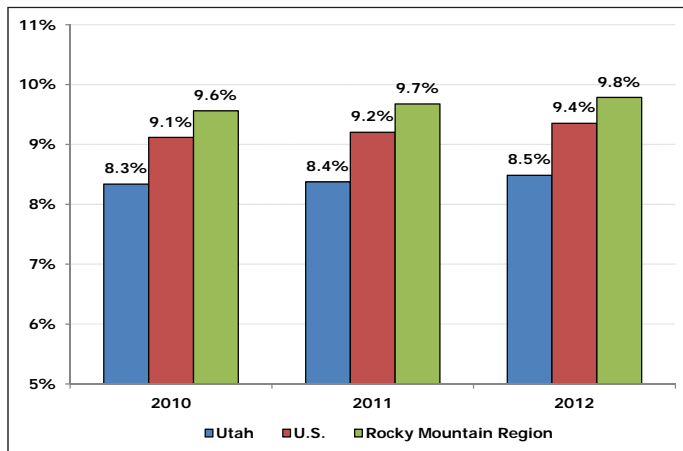
8. Washington and Iron counties.

9. USTA utilizes 15 sources of data, including a variety of traveler survey expenditure data, and applies its Travel Economic Impact Model, a proprietary economic model developed to estimate the expenditures, employment, payroll and tax revenue generated by travel away from home in the U.S.

10. Nevada, which was left off of these figures, is an outlier with a 31% share of travel-generated employment and \$10,879 per capita travel-related expenditures.

According to the Bureau of Economic Analysis (BEA), the leisure and hospitality sector's jobs share of total employment in Utah was 8.5 percent in 2012<sup>11</sup>, slightly lower than the Rocky Mountain region<sup>12</sup> average of 9.8 percent and the U.S. average of 9.4 percent. As Figure 4 illustrates, the leisure and hospitality sector saw slow but steady growth in its employment shares in Utah, the Rocky Mountain region and the U.S. from 2010 to 2012. Similarly, wage and salary income for the leisure and hospitality sector made up 4.1 percent of Utah, 4.9 percent of Rocky Mountain, and 4.5 percent of U.S. total wage and salary income in 2012.

**Figure 4: Leisure and Hospitality Sector Share of Total Private Industry Employment, 2010-2012**



Source: BEBR Analysis of U.S. Bureau of Economic Analysis data

### Nonresident Traveler Demographics

While Utah resident traveler spending must not be ignored or discounted, it is important to understand the difference between resident and nonresident spending. Nonresident spending is significant because it augments and adds dollars to Utah's economy, while resident spending recirculates dollars already present in the state's economy. Attracting out-of-state visitors to Utah, therefore, boosts Utah's economy with new dollars. Understanding who visits Utah from out-of-state and why they come helps shape domestic and international marketing, which aims to attract future nonresident tourists and travelers.

Utah's Office of Tourism (UOT) has been tracking nonresident visitation since 2003, applying airline passenger visitation and road counter data to an established visitor growth model. Based on UOT's growth model, Figure 5 shows estimated Utah nonresident visitation since 2003. Estimated nonresident traveler volume increased nearly 8 percent between 2011 and 2012.

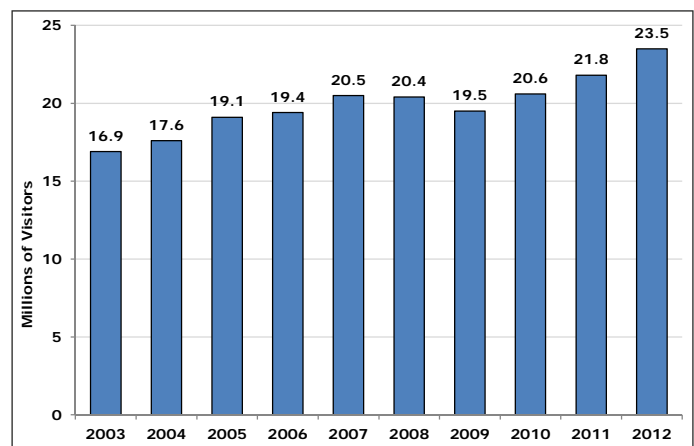
The UOT currently contracts with D.K. Shifflet & Associates (Shifflet) to gather resident and nonresident traveler profile and spending data. According to Shifflet's 2012 traveler survey results, nonresident respondents represented every age group, came from a variety of places in and outside of the United States, and participated in a wide array of activities during their time in Utah.

Based on person-stays between 2010 and 2012, Shifflet nonresident respondents were an equal mix of GenXers and Boomers, followed by visitors in the youngest and oldest generations, as shown in Figure 6.

Thirty-two percent of nonresident travelers reported their visit to Utah was a vacation, while 68 percent traveled to Utah to visit friends and family, attend a special event or convention, or for an "other" circumstance. As Figure 7 illustrates, three-quarters (74 percent) of nonresident travelers visited Utah from the Mountain West and Pacific states, with the remainder coming from six other regions. Over half of nonresident respondents came from the nearby states of California (18 percent), Nevada (14 percent), Idaho (12 percent), and Colorado (10 percent).

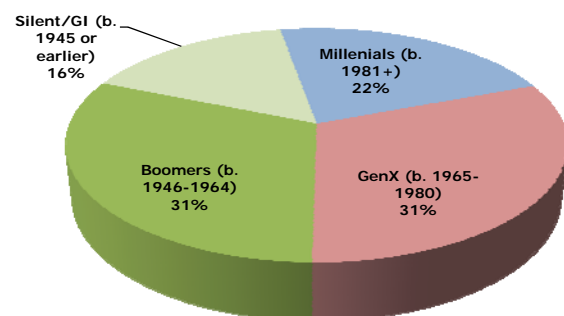
In 2012, the majority of nonresident respondents, or 84 percent, reportedly drove to Utah, 11 percent flew, and the remaining 5

**Figure 5: Estimated Utah Nonresident Visitor Volume, 2003-2012**



Source: Utah Office of Tourism

**Figure 6: Nonresident Visitor Distribution by Generation, 2010-2012**

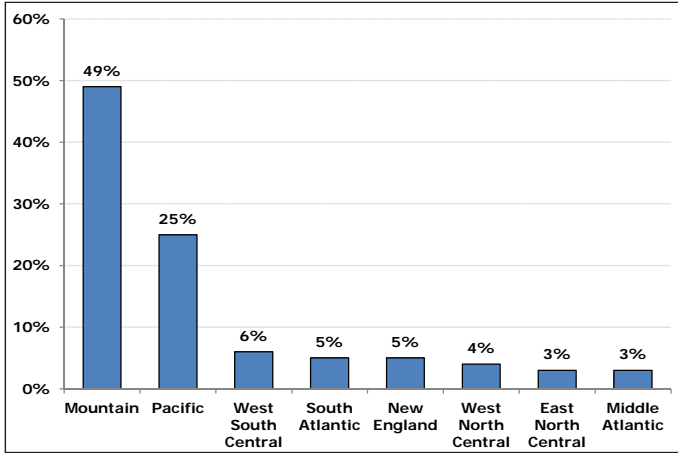


Source: D.K. Shifflet & Associates

11. The leisure and hospitality sector comprises the following subsectors: performing arts, spectator sports, and related industries (NAICS 711); museums, historical sites, and similar institutions (NAICS 712); amusement, gambling, and recreation industries (NAICS 713); accommodation (NAICS 721); and food services and drinking places (NAICS 722).

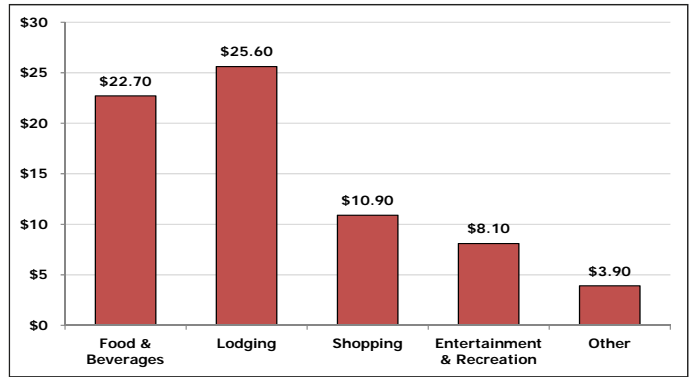
12. The BEA's Rocky Mountain region includes Montana, Idaho, Wyoming, Utah and Colorado.

**Figure 7: Origin Census Division for Nonresident Respondents, 2012**



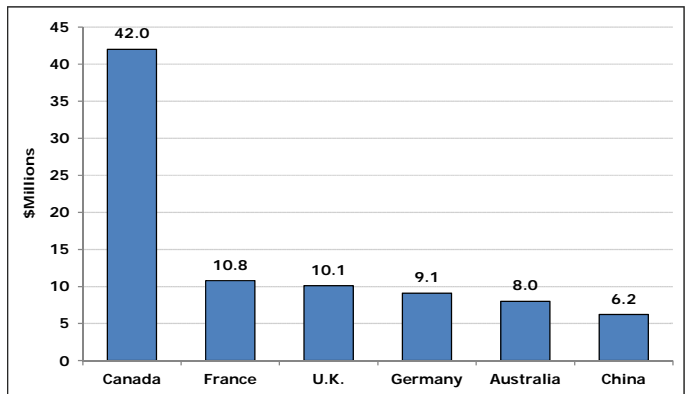
Source: D.K. Shifflet & Associates

**Figure 8: Per Person Per Day Nonresident Expenditure Breakdown, Person-Days Based, 2012**



Source: D.K. Shifflet & Associates

**Figure 9: Spending in Utah by International Visitors, VisaVue Records, 2012**



Source: Utah Office of Tourism

**Table 1: Utah Nonresident Respondent Activity Participation, 2012**

Activity	Percent
Culinary/Dining	33%
Parks (National/State, etc)	32%
Touring/Sightseeing	29%
Visit Friends/Relatives	28%
Shopping	28%
Historic Sites	20%
Hiking	17%
Camping	12%
Movies	11%
Museums, Art Exhibits	10%
Amateur & Professional Sports (attend/participate)	8%
Festivals/Fairs (state, craft, etc.)	6%
Service/Volunteerism	6%
Concerts, Theatre, Dance, etc.	5%
Religious/Faith Based Conference	5%
Biking	4%
Holiday Celebration	4%
Wildlife Viewing	4%
Nightlife (bar, nightclub, etc.)	3%

Source: D.K. Shifflet & Associates

percent utilized other transportation (e.g. bus, RV/camper). Once in Utah, nearly all nonresident respondents (93 percent) used cars to get around, with only 7 percent relying on bus, taxi or other means. The majority of nonresidents (68 percent) stayed in paid accommodations such as hotels, vacation rentals, and campgrounds and the remaining 32 percent stayed with family/friends or in another non-paying situation. Figure 8 breaks down the average daily expenditure per person of Utah nonresident travelers. The top three spending categories were lodging, food and beverages, and shopping.

Table 1 shows the wide range of activities nonresident respondents participated in during their visit to Utah. As for international visitors, Utah's Office of Tourism reported that Canada, France, United Kingdom, Germany, Australia, and China were Utah's largest international markets in 2012 based on VisaVue records (Figure 9).

### TTR-Related Employment in Utah

Travel, tourism and recreation visitor spending creates and sustains jobs. According to D.K. Shifflet and Associates, travelers spent an estimated \$7.4 billion<sup>13</sup> in Utah in 2012, which in turn supported an estimated 129,088 direct, indirect and induced jobs. This means that one in every ten jobs in Utah's economy is supported by tourist and traveler spending, either directly or indirectly.

Defining travel-related employment is complicated because the TTR industry is not a distinct industry<sup>14</sup> such as manufacturing or retail trade. Instead, the TTR industry is a patchwork of industries, comprised of goods and services purchased by the traveler prior to, during, and even after a trip. Before a trip, a traveler might purchase maps, a book to read on the plane and camping equipment. During a trip, a traveler may rent a car, fill the tank with gas, eat at a restaurant, and purchase miscellaneous retail items. After returning from a trip, photos may be printed and sleeping bags professionally cleaned. Therefore, unlike an export industry such as "apparel manufacturing," where goods are produced in one region and

13. Includes all Utah resident and nonresident, overnight and day trip, leisure and business traveler spending.

14. As defined by the Bureau of Labor Statistics.

**Table 2: Twenty-One Tourism-Oriented Codes as per Utah Code 63M-1-1406**

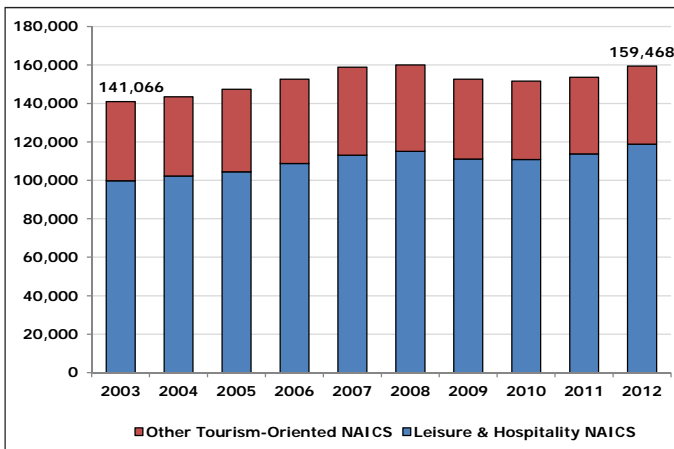
NAICS Code 445120 Convenience Stores Without Gas Pumps
NAICS Code 44611 Pharmacies and Drug Stores
NAICS Code 447110 Gasoline Stations with Convenience Stores
NAICS Code 447190 Other Gasoline Stations
NAICS Code 45111 Sporting Goods Stores
NAICS Code 45112 Hobby, Toy and Game Stores
NAICS Code 45121 Books Stores and News Dealers
NAICS Code 453 Miscellaneous Retail
NAICS Code 481 Passenger Air Transportation
NAICS Code 485 Charter Bus
NAICS Code 4853 Taxi and Limousine Service
NAICS Code 487 Scenic & Sightseeing Transportation
NAICS Code 4483 Jewelry, Luggage, and Leather Goods Stores
NAICS Code 532111 Passenger Car Rental
NAICS Code 532292 Recreational Goods Rental
NAICS Code 5615 Travel Arrangement and Reservation Services
NAICS Code 711 Performing Arts, Spectator Sports and Related Industries
NAICS Code 712 Museums, Historical Sites and Similar Institutions
NAICS Code 713 Amusement, Gambling and Recreation Industries
NAICS Code 721 Accommodations
NAICS Code 722 Food Services and Drinking Places

Source: Utah Office of Tourism

exported to another region for consumption, the TTR industry, composed of multiple and diverse industries, provides services and goods to consumers who temporarily visit a region outside of their own. Despite these differences, the TTR industry can be thought of as an “export industry.” As such, Utah’s TTR industry, with estimated nonresident revenues of \$5.3 billion, would be Utah’s second largest export in 2012 behind primary metals (\$12.2 billion) and ahead of computers and electronics (\$2.2 billion).<sup>15</sup>

In Utah, as per Utah Code 63M-1-1406, “tourism-oriented goods and services” include all “leisure and hospitality” NAICS<sup>16</sup> codes as well as sixteen additional NAICS codes. Table 2 shows all tourism-oriented codes, by statute, highlighting those codes that are in the “leisure and hospitality” sector. Figure 10 shows average annual direct tourism-oriented jobs in Utah from 2003 to 2012.<sup>17</sup> In fact, nearly three-quarters of Utah’s tourism-oriented jobs are in the leisure and hospitality sector. Over the last ten years, the number of total tourism-oriented jobs in Utah grew 13 percent, with an increase of 4 percent between 2011 and 2012. The decline in jobs

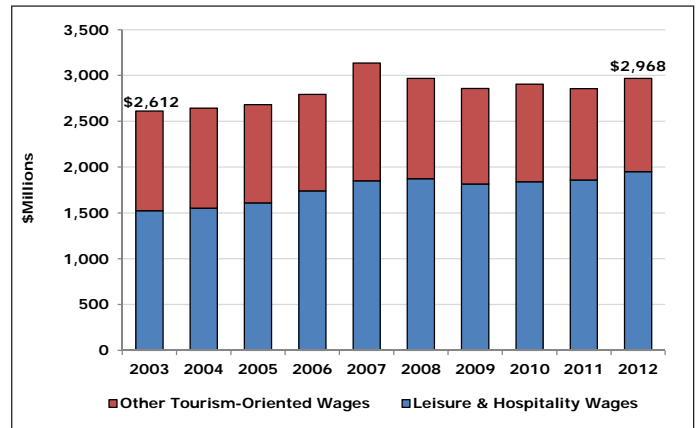
**Figure 10: Average Annual Direct Tourism-Oriented Jobs in Utah, 2003-2012**



Source: BEBR Analysis of U.S. Bureau of Labor Statistics Data

and wages from 2008 to 2010 reflects the Great Recession, which took place in the U.S. from 2008 to 2009. After 2010, a slight upward trend in tourism-oriented jobs reemerged. Figure 11 highlights average annual payroll for all direct tourism-oriented jobs. Total tourism-oriented wages increased 14 percent from 2003 to 2012 and 4 percent from 2011 to 2012.

**Figure 11: Average Annual Tourism-Oriented Wages in Utah, 2003-2012 (Dollar Amounts Are Millions of Constant 2012 Dollars)**



Source: BEBR Analysis of U.S. Bureau of Labor Statistics Data

### Leisure and Hospitality Employment by Region

Due to privacy issues, job counts and wages by detailed tourism-oriented NAICS codes are often not disclosed at the regional or county level. However, data for the larger grouping of leisure and hospitality jobs and wages is more widely available. Therefore, one way to determine a region’s dependence on the TTR industry is to calculate a region’s share of leisure and hospitality jobs to total jobs. When looking at the number of private leisure and hospitality jobs to total private jobs in Utah’s seven travel regions, there are significant differences among the regions’ with respect to their dependency on the leisure and hospitality sector.

In 2012, 41 percent of all jobs in Canyon Country were in the leisure and hospitality sector, followed by 22 percent in the North Mountains region and 18 percent in Dixie (Figure 12). It is interesting to note that four of Utah’s five national parks are in Canyon Country and the fifth national park is in Dixie.<sup>18</sup> Likewise, the North Mountains region is home to four ski resorts, eight state parks and large tracts of national forest.

Wages followed a similar trend with the leisure and hospitality sector accounting for an estimated 28 percent share of total wages in Canyon Country, a 14 percent share in the North Mountains, and a 9 percent share in Dixie. In contrast, in Eastern Utah, only 9 percent of jobs and 3 percent of wages were in the leisure and hospitality sector in 2012.

15. U.S. Commercial Service, 2013.

16. North American Industry Classification System.

17. Figure 10 includes all private jobs in tourism-oriented NAICS codes as per Utah Code, not only the jobs directly supported by tourism.

18. Arches, Canyonlands, Capitol Reef and Bryce Canyon National Parks are all in Canyon Country; Zion National Park is in Dixie.

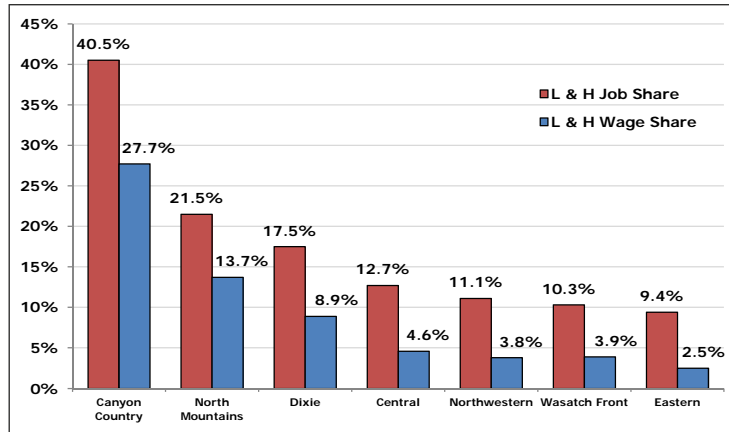
As shown in Figure 13, Utah's Dixie and North Mountain regions saw greater than 30 percent increases in the number of leisure and hospitality jobs between 2003 and 2012, which is higher than the average increase in all Utah's private service-providing jobs (21 percent) and all Utah private sector jobs (17 percent). The Northwestern region saw an 18 percent increase, while Utah's Central region experienced a decrease of 2 percent in total leisure and hospitality jobs.

### Leisure and Hospitality Jobs by County

As for the share of private leisure and hospitality jobs and wages to total private industry jobs and wages at the county level, Daggett County, home to Flaming Gorge National Recreation Area, had the greatest share, followed by Garfield, Grand and Kane counties. Summit and Wayne counties were also high on the list (Figure 14).

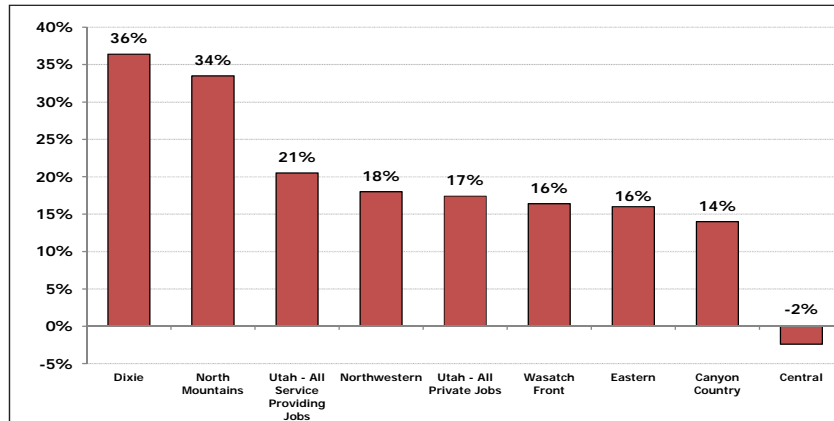
As for leisure and hospitality job growth between 2003 and 2012, Summit County, which includes the resort town of Park City and three ski resorts, Washington County, home to Zion National Park and the retirement community of St. George, and Garfield County, gateway to two national parks, a national monument and a national recreation area, all showed the greatest percent growth (Figure 15). Utah County also had an above-average increase, with the most growth in the food and beverage (30 percent) and amusement and recreation industries (29 percent).

**Figure 12: Leisure and Hospitality Share of Total Private Industry Employment and Wages by Utah Travel Region, 2012**



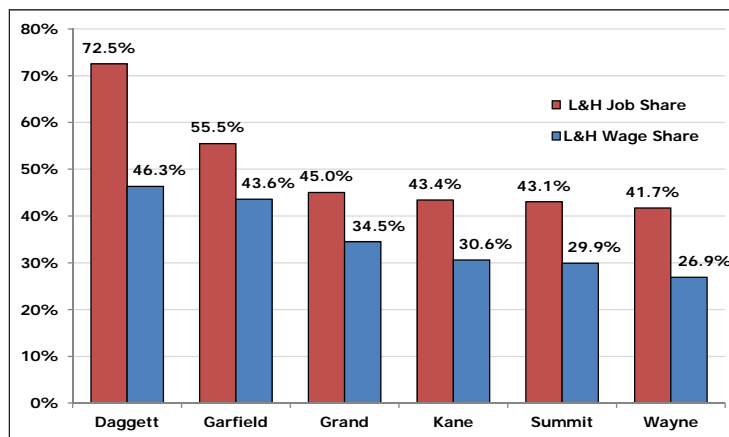
Source: BEBR Analysis of U.S. Bureau of Labor Statistics

**Figure 13: Percent Change in Leisure and Hospitality Jobs by Utah Travel Region, 2003-2012**



Source: BEBR Analysis of U.S. Bureau of Labor Statistics data

**Figure 14: Leisure and Hospitality Share of Total Private Industry Employment and Wages by County, 2012**



Source: BEBR Analysis of U.S. Bureau of Labor Statistics data

### The Seasonal Nature of Tourism, Travel and Recreation in Utah

Utah's tourism, travel and recreation industry is seasonal in nature due to Utah's geography, climate, and natural attractions. In the winter, snowboarders and skiers are drawn to Utah's 14 ski resorts, 11 of which are within one hour from Salt Lake City International Airport. Spring, summer and fall are popular times to visit the national parks, monuments and other wilderness areas.

To determine the seasonality of the TTR industry at the regional or county level, BEBR examined leisure and hospitality jobs by quarter, as provided by Utah's Department of Workforce Services. Summit County, in the North Mountains region, is a good example of a county that experiences winter seasonality. Summit County has three ski resorts, several winter recreation activity venues, and hosts the Sundance Film Festival, which is held in January and

attracts upwards of 30,000 nonresident attendees. In 2013, for example, the film festival's 30,065 nonresident attendees spent a total of \$52.2 million in Utah (an average of \$328 per person per day), the majority of which (71 percent) was spent on lodging and meals.<sup>19</sup> As Figure 16 shows, leisure and hospitality jobs grew by more than half each year in Summit County from quarter three (July, August, September) to quarter one (January, February, March), which is peak skiing and snowboarding season.

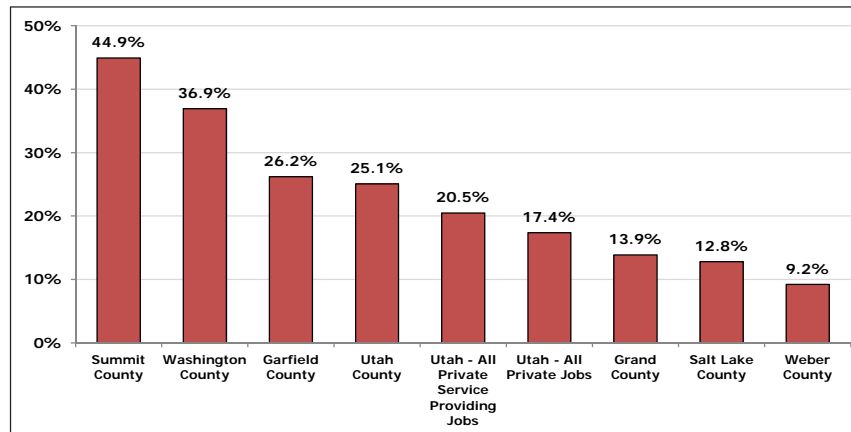
19. Stambro, 2013.

In contrast to winter, or cold weather, seasonality, Grand County, located in Canyon Country, is a good example of a county that experiences warm weather seasonality. Grand County is home to two national parks,<sup>20</sup> whitewater rafting, mountain biking, rock climbing, athletic events, art and music festivals, jeep safari, and many other local seasonal attractions that run from late March through early November. Figure 17 illustrates how leisure and hospitality jobs in Grand County peaked in quarters two and three, or April through September, with a significant drop in the number of jobs during quarters four and one, or October through March.

### Skiing and Snowboarding in Utah

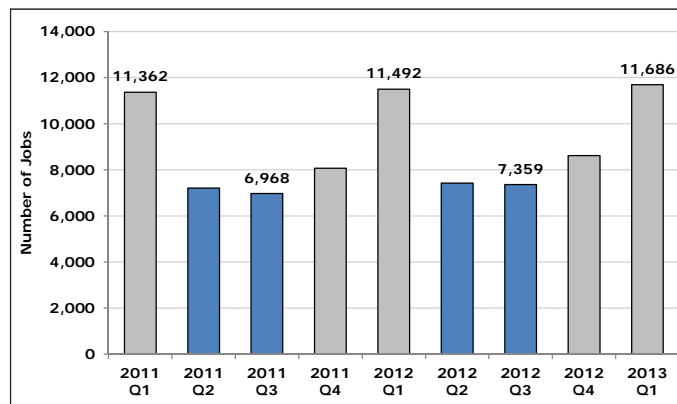
Winter sports are an important aspect of Utah's TTR industry, attracting nonresident visitors and new dollars to the economy. Between 1982/83 and 2012/13, reported skier days<sup>21</sup> in Utah increased 74 percent from 2.3 million to 4.0 million. The number of skier days in 2012/13 was higher than in the 2011/12 season, despite below-average snowfall (Figure 18). In the fall of 2013, BEBR conducted a survey of Utah's 14 ski resorts to collect a head count of ski industry jobs. Based on gathered data, and using appropriate RIMS II multipliers, BEBR calculated that the Utah ski industry supported approximately 18,419 direct, indirect and induced full- and part-time ski jobs during the month of February 2013. In addition, RRC Associates' latest on-mountain Ski Utah survey estimated total skier/snowboarder spending to be \$1.29 billion during the 2012/13 season, up 10% from 2010/11. Of this, \$1.1 billion was spent by nonresident skiers and snowboarders (up from \$990 million

**Figure 15: Percent Increase in Leisure and Hospitality Jobs by County, 2003-2012**



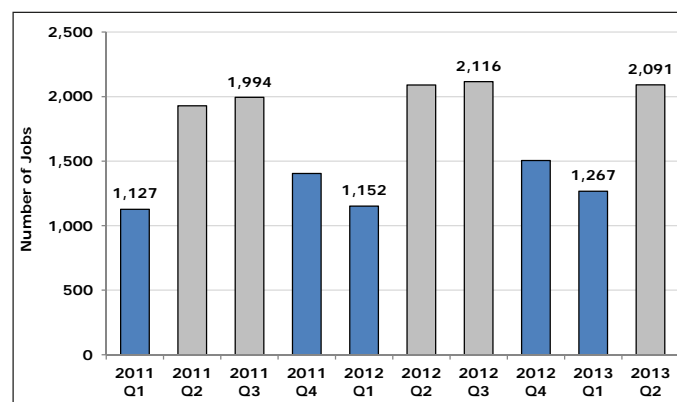
Source: BEBR Analysis of U.S. Bureau of Economic Analysis data

**Figure 16: Average Quarterly Leisure and Hospitality Jobs in Summit County, 2011-2013**



Source: Utah Department of Workforce Services

**Figure 17: Average Quarterly Leisure and Hospitality Jobs in Grand County, 2011-2013**



Source: Utah Department of Workforce Services

in 2010/11), with an average daily per person spend of \$323 (up from \$272 in 2010/11).

### Park Visitation in Utah

Utah has a unique topography consisting of Rocky Mountain, Colorado Plateau, and Basin and Range geography. A large percent of Utah's dramatic landscape and Native American and pioneer heritage

resources are organized into federally- and state-managed parks. These parks aim to preserve and educate visitors about Utah's natural, cultural, and historical assets. Utah has five national parks, seven national monuments, two national recreation areas, one national historic site, 43 state parks, 23 million acres of BLM land, 26 scenic byways, eight welcome centers and over 8 million acres of national forest, all of which offer a variety of opportunities to travelers.

### National Parks

Since 1904, the National Park Service (NPS) has recorded recreational visitation to national parks and places.<sup>22</sup> According to NPS data, recreational visitation to Utah's five national parks increased 175 percent from 1980 to 2012, with peak visitation recorded between 2009 and 2012 and a 4 percent increase from 2011 to 2012 (Figure 19).

While all Utah national parks experienced increased visitation from 1980 to 2012, Canyonlands

20. Arches National Park and Canyonlands National Park.

21. The National Ski Areas Association defines a "skier day" as one person visiting a ski area for all or any part of a day or night for the purpose of skiing/snowboarding.

22. The term "national places" includes federally designated and protected monuments, recreation areas, historic sites, etc.

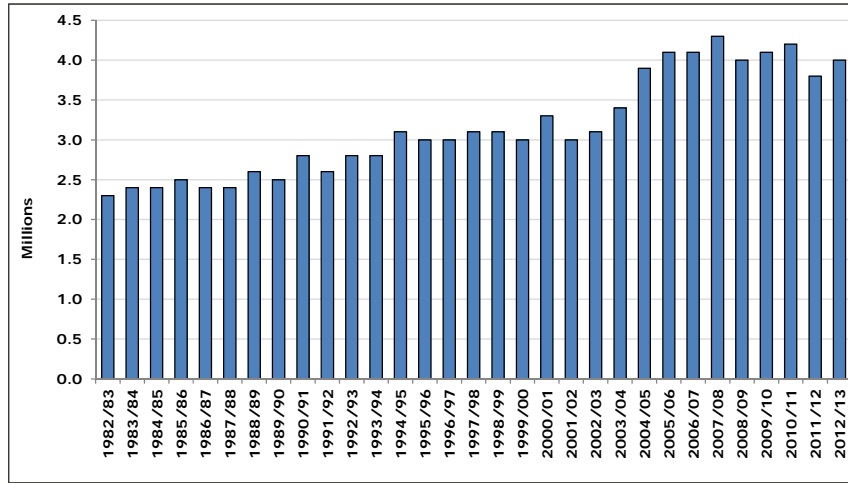
National Park saw the fastest growth (702 percent), followed by Arches (269 percent), Zion (165 percent), Bryce (142 percent) and Capitol Reef (96 percent). Table 3 shows national park recreation visitation since 1980 and national park visitation share in 2012, with Zion National Park accounting for the largest share of total recreational visits, followed by Bryce and Arches.

On a national scale, Zion National Park annually ranks in the "10 Most-Visited National Parks" and was the 6<sup>th</sup> most visited national park in 2012 (National Park Service, 2012).<sup>23</sup> As shown in Table 4, Zion ranked 27<sup>th</sup> out of all 366 national places for visitation, seventh of 143 national places for concessioner lodging, seventh of 93 national places for tent campers, and sixth of 81 for RV campers (NPS 2012). However, in 2012 Canyonlands surpassed Zion in number of backcountry campers, ranking sixth out of 102 national places.

**National Places**

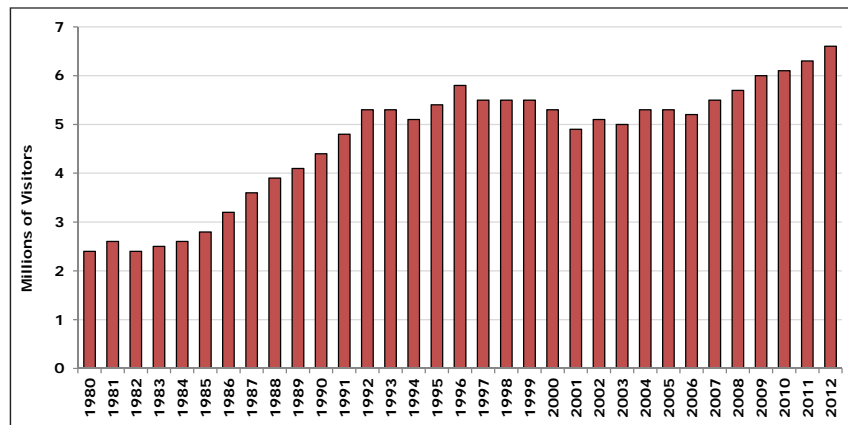
Six of Utah's national monuments, one national recreation area and one national historic site reported total visitation increases of 36 percent from 1980 to 2012, with peak visitation recorded between 1988 and 1993 (Figure 20) and a 0.1 percent increase between 2011 and 2012 (Table 5).<sup>24</sup> More specifically, Dinosaur, Cedar Breaks and Timpanogos National Monuments had the greatest visitation increases between 2011 and 2012.

**Figure 18: Total Utah Skier Days, 1982/83 to 2012/13**



Source: Ski Utah

**Figure 19: National Park Recreation Visitation, 1980-2012**



Source: National Park Service

**Table 3: National Park Recreation Visitation, 1980-2012**

Year	Capitol Reef					Zion	Total
	Arches	Bryce	Canyonlands	Reef	Zion		
1980	290,519	571,541	56,505	342,788	1,123,846	2,385,199	
1985	363,464	500,782	116,672	320,503	1,503,272	2,804,693	
1990	620,719	862,659	276,831	562,477	2,102,400	4,425,086	
1995	859,374	994,548	448,769	648,864	2,430,162	5,381,717	
2000	786,429	1,099,275	401,558	612,656	2,432,348	5,332,266	
2005	781,670	1,017,681	393,381	550,255	2,586,665	5,329,652	
2010	1,014,405	1,285,492	435,908	662,661	2,665,972	6,064,438	
2011	1,040,758	1,296,000	473,773	668,834	2,825,505	6,304,870	
2012	1,070,577	1,385,352	452,952	673,345	2,973,607	6,555,833	
% Change 2011-2012	2.9%	6.9%	-4.4%	0.7%	5.2%	4.0%	
Park Visitation 2012	16.3%	21.1%	6.9%	10.3%	45.4%	100.0%	

Source: National Park Service

**State Parks**

Utah's Division of State Parks manages 43 state parks and administers the Utah off-highway-vehicle (OHV), boating and trails program. Although records of state park visitation have been kept as far back as 1980, several state parks have been decommissioned or created since then. Due to changes in state park designation over time, Figure 21 shows only recorded state park visitation for 41 of the current 43 state parks for the past ten years. From 2003 to 2012, state park visitation increased 11 percent, with a 6 percent increase between 2011 and 2012. The ten Utah state parks with the greatest annual increase in recorded visitation from 2011 to 2012 are listed in Table 6.

**Meetings, Conventions and Tradeshows**

Throughout the year, Utah hosts numerous meetings, conventions, and tradeshows, which attract out-of-state visitors to Utah and new dollars to its economy. For instance, in Salt Lake, according to Visit Salt Lake, the Convention & Visitors Bureau, the number of visitors attending conventions and meetings annually

23. Bryce Canyon NP and Arches NP ranked among the top 20. There are 58 national parks in the U.S.

24. Visitation data for Grand Staircase-Escalante National Monument, which is managed by the BLM, and Flaming Gorge National Recreation Area, which is managed by the U.S. Forest Service, are not available and are therefore not included in national places visitation counts.



exceeds the number of visitors to its popular ski resorts. Also important to note is that the concentration of meeting attendees at convention venues enables the survey of attendees to determine their spending with a high degree of confidence. Between 2006 and 2012, BEBR surveyed 23 meetings, conventions and tradeshows – only a fraction of total meetings held in Utah. From those surveys, BEBR was able to estimate that 195,670 nonresident meeting attendees spent \$184.4 million dollars, or about \$942 per person. As Figure 22 illustrates, nonresident meeting attendees spent the majority of their per-stay spend on hotels, food and beverages, and shopping.

**Table 4: National Park Ranking by Type of Visitor, 2012**

Type of Visitor	Total					
	Parks	Arches	Bryce	Canyonlands	Capitol Reef	Zion
Recreation Visitation	366	67	54	126	93	27
Concessioner Lodging	43	(N/A)	13	(N/A)	(N/A)	7
Tent Campers	93	31	23	40	37	7
RV Campers	81	36	13	52	33	6
Backcountry Campers	102	81	65	6	63	9

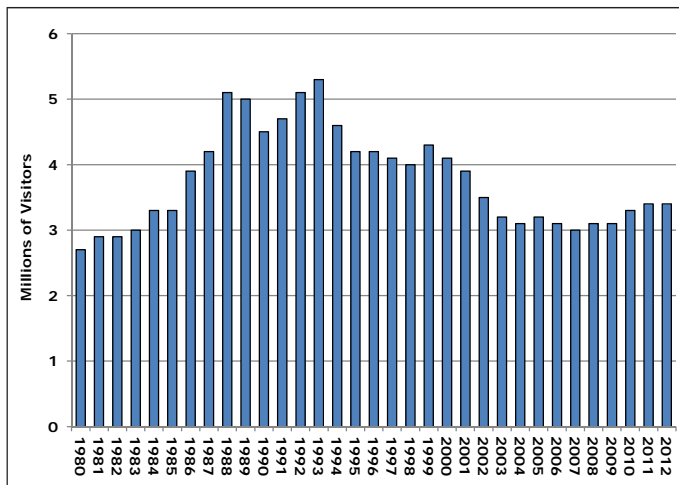
Source: National Park Service

**TTR-Related Sales and Tax Revenue**

Based on Shifflet’s estimated \$7.4 billion in traveler spending in 2012, Utah’s Office of Tourism reported that the state received an

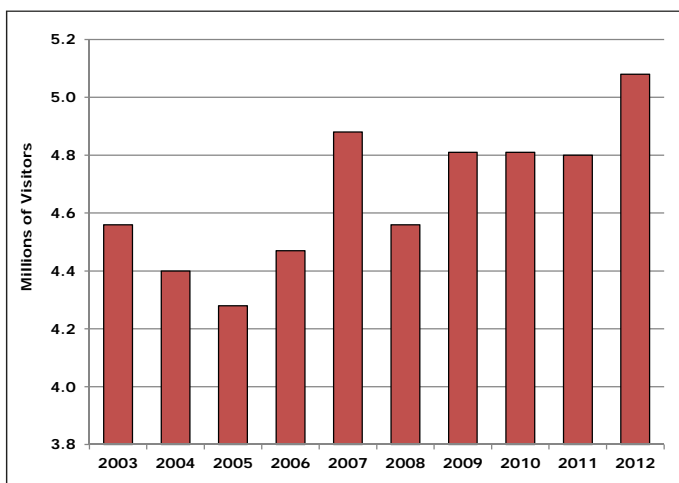
estimated upper bound of \$960.6 million in direct, indirect and induced tourism-related tax revenue. Figure 23<sup>25</sup> shows estimated TTR-related direct, indirect and induced tax revenue from 2003 to 2012, which increased 27 percent from 2003 to 2012 and 6 percent from 2011 to 2012.

**Figure 20: National Place Recreation Visitation, 1980-2012**



Source: National Park Service

**Figure 21: State Park Visitation, 2003-2012**



Source: Utah State Parks and Recreation

**Table 5: Percent Change from Previous Year, National Place Visitation, 2011-2012**

Utah National Place	2011	2012	% Change 2011-2012
Dinosaur N.M.	231,559	302,858	30.8%
Cedar Breaks N.M.	493,147	631,809	28.1%
Timpanogos N.M.	96,965	118,764	22.5%
Hovenweep N.M.	25,858	26,710	3.3%
Natural Bridges N.M.	91,184	89,011	-2.4%
Golden Spike N.H.S.	43,933	42,551	-3.1%
Glen Canyon N.R.A.	2,270,817	2,061,328	-9.2%
Rainbow Bridge N.M.	92,311	75,214	-18.5%
<b>Total N.M. &amp; Rec. Area Visits</b>	<b>3,345,774</b>	<b>3,348,245</b>	<b>0.1%</b>

Source: National Park Service

**Table 6: Percent Change from Previous Year, State Park Visitation, 2011-2012**

Utah State Park	2011	2012	% Change 2011-2012
Yuba State Park	140,965	237,708	68.6%
Jordan River OHV State RA	11,921	18,347	53.9%
Red Fleet State Park	31,822	45,142	41.9%
Hyrum State Park	89,885	124,958	39.0%
Goblin Valley State Park	61,435	80,628	31.2%
Territorial Statehouse State Park	22,564	29,079	28.9%
Starvation State Park	70,044	89,697	28.1%
Jordanelle State Park	257,675	323,689	25.6%
Sand Hollow State Park	183,691	217,367	18.3%
Deer Creek State Park	305,748	360,565	17.9%

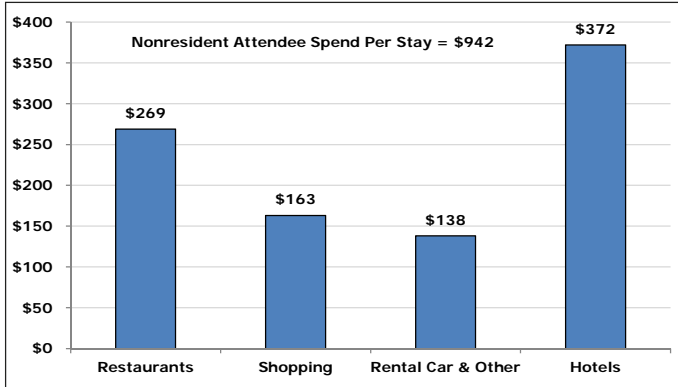
Source: Utah State Parks and Recreation

A large percent of traveler purchases in Utah are taxable. Utah has a state sales and use tax of 4.7 percent on many, but not all, TTR-related goods and services<sup>26</sup>. Car rentals, sporting goods sales, ski tickets, recreational gear rental, miscellaneous retail purchases, gasoline sales, restaurant and bar sales, and arts, recreation, and entertainment-related sales are all taxed. However, transportation services, such as air, rail, water, taxi, charter bus and other transit and ground transportation services are not taxed. This 4.7 percent sales and use tax is collected by the state and deposited into Utah’s

25. Figure includes estimated upper bound state and local sales, income, property, tourism-related, and other taxes, in real 2012 dollars.

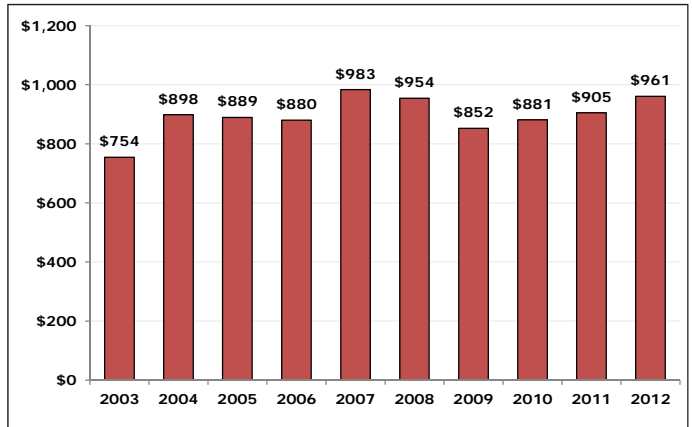
26. Food and food ingredients, excluding alcohol, tobacco and prepared food, are taxed at 1.75 percent.

**Figure 22: Average Spending Share Per Stay, Utah Meeting, Convention, and Tradeshow Nonresident Attendees**



Note: Average Amounts Calculated Using Survey Research From 23 Meetings Between 2006 and 2012  
Source: Bureau of Economic and Business Research and Visit Salt Lake

**Figure 23: Estimated Travel-Generated Direct, Indirect and Induced State and Local Tax Revenue, 2003-2012 (Dollar Amounts Are Millions of Constant 2012 Dollars)**



Source: BEBR Analysis of Utah Office of Tourism Data

General Fund, which helps fund education, health and human services, corrections, and transportation.<sup>27</sup>

When travelers visit Utah they might purchase art, amusement, or recreation-related tickets, stay in paid accommodations, and eat meals in restaurants, all of which are goods and services in the leisure and hospitality sector. Table 7 shows total leisure and hospitality taxable sales from 2008 through 2012, as reported by the Utah State Tax Commission. Leisure and hospitality sales, as a group, increased 8 percent over the past five years and 6 percent over the past year, with the largest areas of growth in RV parks and camps (30 percent), special food services (25 percent), and accommodations (13 percent).

TRCC and TRT tax revenues can only be imposed for “the purposes of establishing, financing and promoting recreational, tourist and convention bureaus” (Utah Foundation, 2000). The use of TRCC and TRT taxes is subject to an annual audit by a local county Tourism Advisory Board.

Other TTR-related taxes are the Motor Vehicle Leasing Tax and the Botanical, Cultural, Recreational and Zoological (ZAP) tax. Utah’s statewide motor vehicle leasing tax of 2.5 percent is deposited daily with the state treasurer and credited monthly to the Transportation Corridor Preservation Revolving Loan Fund. The ZAP tax, which must be approved by local voters, can be imposed at the rate of a tenth of one percent on related sales and is used to fund recreational facilities and botanical, cultural and zoological organizations.

**Table 7: Percent Change in Leisure and Hospitality Industry Taxable Sales, 2008-2012 (Dollar Amounts Are Millions of Constant 2012 Dollars)**

Industry	CY 2008	CY 2009	CY 2010	CY 2011	CY 2012	% Change 2008-2012	% Change 2011-2012
RV Parks, Camps	\$22.6	\$24.4	\$25.2	\$27.9	\$29.3	29.6%	4.8%
Special Food Services, Food Carts	\$232.6	\$229.6	\$256.6	\$274.6	\$291.0	25.1%	6.0%
Hotels, Motels, B&Bs, Resorts, Other	\$1,074.4	\$933.2	\$1,033.7	\$1,148.2	\$1,215.0	13.1%	5.8%
Museums, Historical Sites, Zoos, Parks, Similar	\$30.9	\$30.0	\$31.9	\$28.7	\$33.3	7.7%	16.2%
Drinking Places (Alcoholic Beverages)	\$94.5	\$83.1	\$86.8	\$94.4	\$100.8	6.7%	6.9%
Restaurants & Other Eating Places	\$2,935.6	\$2,825.9	\$2,873.6	\$2,975.3	\$3,118.7	6.2%	4.8%
Amusement & Recreation	\$374.5	\$345.5	\$346.3	\$345.5	\$364.5	-2.7%	5.5%
Performing Arts, Spectator Sports, Related	\$121.3	\$108.1	\$117.8	\$83.1	\$100.8	-16.9%	21.4%
<b>Total Taxable Sales</b>	<b>\$4,886.4</b>	<b>\$4,579.9</b>	<b>\$4,772.0</b>	<b>\$4,977.6</b>	<b>\$5,253.3</b>	<b>7.5%</b>	<b>5.5%</b>

Source: BEBR Analysis Utah State Tax Commission Data

In addition to TTR-related sales tax revenue, Utah imposes Tourism, Recreation, Cultural and Convention Facilities (TRCC) taxes consisting of a countywide restaurant tax,<sup>28</sup> a countywide short-term leasing tax<sup>29</sup> and the Salt Lake County room rental tax.<sup>30</sup> Utah also imposes a variety of Transient Room Taxes (TRT) on hotel and motel rentals. Utah counties have the option to charge a TRT not to exceed 4.25 percent, Utah municipalities have the option to charge TRT not to exceed 1.5 percent, and qualifying “resort communities”<sup>31</sup> have the option to charge a “resort community tax” of up to 1.6 percent on goods and services subject to sales and use taxes by law.

27. In Utah, there are also sales and use tax rates for local option, county option, rural hospital, and a variety of mass transit/transportation option taxes, which have not been included in this report. These local options taxes are assessed either on all purchases or all purchases except unprepared food, adding dollars to the local tax base.

28. 1 percent; only four Utah counties did not impose this tax as of January 2014.

29. Taxes on short-term car rentals of 3 percent; counties have the option of adding up to an additional 4 percent tax.

30. Only Salt Lake County imposes this tax of up to 0.5 percent.

31. In order for a municipality to qualify as a “resort community” it must be a city or town in which the transient room capacity is greater than or equal to 66 percent of the municipality’s permanent census population. In 2012, 16 Utah municipalities qualified as “resort communities.”

Over the years, a number of counties and municipalities have enacted/raised or repealed/ lowered certain TTR-related taxation. Taking this into consideration, there has been an overall upward trend in TTR-related tax revenue for Utah over the years (Figure 24), with a 42 percent increase between 2003 and 2012, and a 13 percent increase from 2011 to 2012.

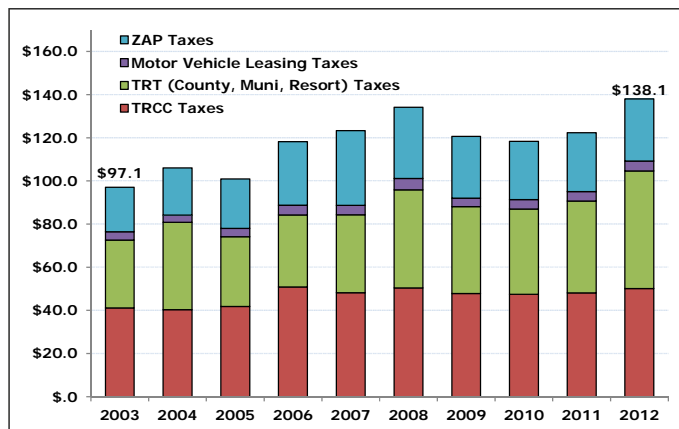
### TTR-Related Industry Performance

Tourism, travel and recreation-related industry performance is another important aspect when examining the state of Utah's TTR industry. The U.S. Bureau of Economic Analysis provides public statewide data, including employment and earnings,<sup>32</sup> and real state GDP. To understand recent TTR industry performance, BEBR looked at Utah's accommodations, transportation, arts, entertainment and recreation, and foodservice industry data.<sup>33</sup>

### Accommodations Industry Performance

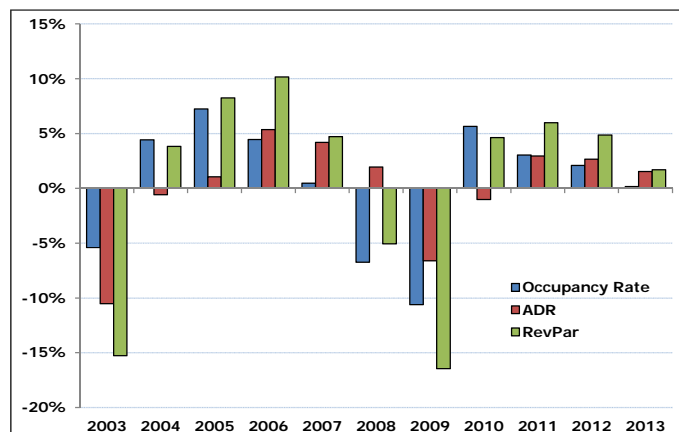
It can be assumed and has been concluded<sup>34</sup> that the majority of individuals who stay overnight in paid accommodations are travelers. Smith Travel Research (STR) tracks the occupancy rate, average daily rate (ADR), and revenue per available room (RevPAR) for hundreds of Utah hotels and motels. Based on Smith Travel Research data, Figure 25 compares percent annual change in statewide hotel occupancy, ADR and RevPAR from 2003 to 2013. The dips on the chart reflect both the economic slump of 2003 and the most recent recession of 2008/2009. As shown in Table 8 when ADR and RevPAR are adjusted for inflation, it appears that the hotel industry has not quite recovered to pre-recession levels, but has instead experienced slight annual growth since 2010. Similarly, employment and earnings increased 2-3 percent between 2011 and 2012, with real state GDP jumping 7 percent between 2010 and 2011. Taxable sales in the accommodations industry, also adjusted for inflation, increased 13 percent from 2008 to 2012 and 6 percent from 2011 to 2012. In 2012, the accommodations industry provided 20,001 direct full- and part-time employee and proprietor jobs and \$555 million in earnings.

**Figure 24: Tourism, Travel and Recreation Related Tax Revenue, 2003-2012 (Dollar Amounts Are Millions of Constant 2012 Dollars)**



Source: Source: BEBR Analysis of Utah State Tax Commission Data

**Figure 25: Percent Change, Utah Hotel Occupancy Rates, ADR, and RevPAR, 2003-2013 (Analysis Used Constant 2013 Dollars)**



Source: BEBR Analysis of Smith Travel Research Data

### Transportation Industry Performance

The performance of Utah's transportation industry is another indicator of the state of Utah's TTR industry. Individuals who traveled by passenger air, passenger rail and/or interurban bus have most likely traveled at least 50 one-way miles to reach an overnight destination. Passenger air and rail, transit and ground, scenic and sightseeing transportation and travel arrangements and reservation services subsectors are all included in the transportation industry performance analysis.

### Passenger Air Industry

Utah has one international airport located in Salt Lake City, as well three additional primary commercial airports.<sup>35</sup> Salt Lake City International Airport (SLC) offers direct flights to multiple domestic destinations and to a handful of international destinations.<sup>36</sup>

SLC records the number of passengers enplaned and deplaned at its facility on a monthly and annual basis. SLC counts show that the month of March and the months of June through August received the largest volume of deplaned passengers (Figure 26). SLC reports that 1 to 3 percent of total deplaned passengers at SLC are international travelers.<sup>37</sup> Table 9 shows the percent change of total deplaned passengers, employment, and wages for scheduled passenger air transportation from 2008

32. Employment includes part-time and full-time employee wage and salary jobs and proprietors' jobs. Earnings includes wage and salary disbursements, supplements to wages and salaries (employer contributions for employee pension and insurance funds and for government social insurance), and proprietors' income.  
 33. Although travel research shows that travelers make a portion of retail purchases while traveling, not all retail subsectors are currently considered "tourism-oriented" in Utah. It is also difficult to determine what types and what percent of retail purchases in Utah are made by travelers. Therefore, many retail subsectors, such as groceries and clothing, have been purposely left out of this report until more detailed data can be gathered.  
 34. Zemanek, 2013.  
 35. Provo (PVU), St. George (SGU) and Wendover (ENV). The Provo airport offers direct flights to Phoenix, San Francisco and Los Angeles while the St. George municipal airport and Ogden airport have direct flights to Denver and Phoenix, respectively.  
 36. Canada, Mexico, and France.  
 37. It must be noted that domestic and international travelers also fly into Las Vegas on their way to explore southern Utah's national parks and monuments.

Table 8: Utah Accommodations Industry Performance, 2008-2012

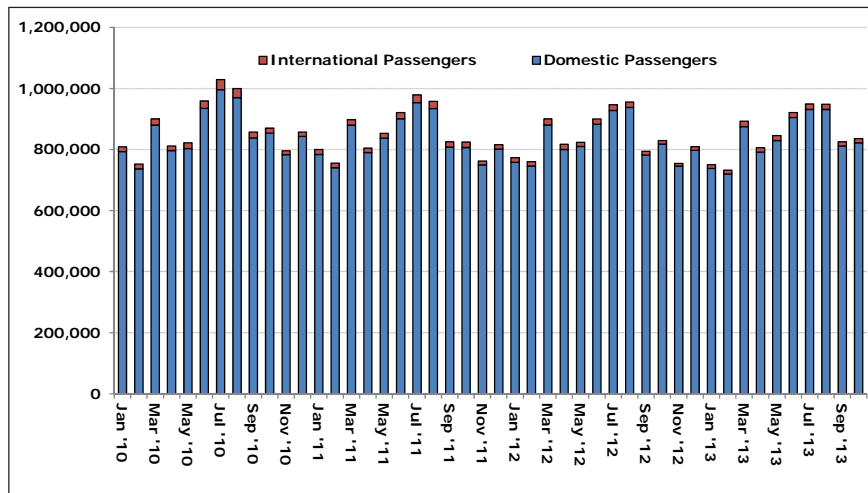
Key Measurement	2008	2009	2010	2011	2012	2013	% Change	% Change
							2008-2012	2011-2012
(Dollar Amounts Are Millions of Constant 2012 Dollars)								
Employment	20,460	18,955	19,013	19,557	20,001	(N/A)	-2.2%	2.3%
Earnings	\$570.9	\$496.5	\$509.9	\$541.1	\$554.6	(N/A)	-2.8%	2.5%
Real State GDP	\$966.5	\$809.8	\$852.2	\$913.0	(NA)	(N/A)	(N/A)	(N/A)
Taxable Sales	\$1,074.5	\$933.2	\$1,033.7	\$1,148.2	\$1,215.0	(N/A)	13.1%	5.8%
(Dollar Amounts Are Constant 2013 Dollars)								
Occupancy Rate	59.4%	53.1%	56.1%	57.8%	59.0%	59.1%	-0.5%	0.2%
Average Daily Rate (ADR)	\$100.25	\$93.63	\$92.67	\$95.41	\$97.94	\$99.45	-0.8%	1.5%
Revenue Per Available Room (RevPAR)	\$59.51	\$49.72	\$52.02	\$55.13	\$57.81	\$58.79	-1.2%	1.7%

Source: Smith Travel Research and BEBR Analysis of U.S. Bureau of Economic Analysis Data

through 2012. Employment<sup>38</sup> and wages in Utah's passenger air industry experienced positive change in 2010 and 2011, and 2012 employment and wages exceeded 2009 levels. In 2012, Utah's passenger air industry provided an average of 6,133 direct full- and part-time jobs (does not include proprietors) and \$361 million in wages.

this sector decreased 9 percent between 2008 and 2012 and experienced minimal growth between 2011 and 2012. In 2012, Utah's transit and ground passenger transportation industry supplied 2,183 direct full- and part-time employee and proprietor jobs and \$76.4 million in earnings.

Figure 26: Salt Lake City International Airport Deplaned Passengers by Month and Year, 2010-2013



Source: Salt Lake City International Airport

**Passenger Rail Industry**

From 2011 to 2013 the passenger rail industry, specifically Amtrak, reported an increase in ridership, employment and wages. Amtrak passenger rail serves Utah with one long-distance train, the *California Zephyr*, which crosses from Chicago to San Francisco daily. Utah currently has four Amtrak stations: Green River, Helper, Provo and Salt Lake City. In fiscal year 2003<sup>39</sup>

Amtrak reported a ridership in Utah of 31,416 passengers. In fiscal year 2013, ridership was reported to be 55,283 – a 75 percent increase in 11 years. Amtrak also reportedly spent a total of \$50.5 million on goods and services (e.g. diesel fuel, parts, etc.) in Utah between fiscal years 2003 and 2013 (Amtrak, 2003–2013). In 2013, Amtrak provided 51 direct Utah jobs and \$4.1 million in wages. Table 10 compares the percent change in ridership, employment, wages and expenditures for Amtrak passenger rail. Since 2003, Amtrak has reported positive growth patterns in Utah.

**Transit and Ground Passenger Transportation**

Utah's transit and ground passenger transportation sector includes mixed-mode transit, commuter rail, bus, taxi and limousine service, special needs transportation, airport shuttle and other transit and ground passenger transportation. Table 11 shows employment, earnings, and real state GDP for Utah's transit and ground passenger industry from 2008 to 2012. According to BEA data, employment in

**Charter Bus, Taxi and Limousine**

Employment and wages in the ground transportation subsectors of charter bus and taxi and limousine services have experienced fluctuations over the years.<sup>40</sup> Between 2003 and 2012, charter bus employment increased 24 percent and taxi and limousine employment increased 30 percent. Despite this ten-year increase in jobs, in 2012 employment in both subsectors had not

reached pre-recession levels. Wages for both industries, on the other hand, surpassed pre-recession levels in 2012. Charter bus industry wages climbed 28 percent between 2003 and 2012 and 4 percent between 2011 and 2012. Although taxi and limousine wages increased 42 percent between 2003 and 2012, they dropped – along with employment – 22 percent between 2011 and 2012. In 2012, the charter bus and taxi and limousine industries provided a combined total of 646 direct full- and part-time jobs (does not include proprietors) and \$14.5 million in combined wages (Table 12).

**Scenic and Sightseeing Transportation**

Scenic and sightseeing transportation includes leisure travel via land, water and air. Unfortunately, a good portion of data for this sector

38. Includes full- and part-time employee jobs.

39. Amtrak's fiscal year is October 1 through September 30.

40. The BEA and BLS are unable to disclose employment and wage data for interurban and rural bus transportation (e.g. Greyhound) due to privacy issues.

is unavailable. Based on available data, scenic and sightseeing transportation experienced a 29 percent decrease in jobs and 10 percent decrease in wages between 2003 and 2012. In 2012, this industry supported 49 direct full- and part-time jobs (does not include proprietors) and \$840,000 in wages (Table 12).

**Travel Arrangement and Reservation Services**

Similar to scenic and sightseeing transportation, the travel arrangement and

historical sites. Compared to other leisure and hospitality sectors highlighted in this report, Utah’s arts, entertainment and recreation sector fared well from 2003 to 2012, despite a slight drop in public jobs and wages between 2011 and 2012. In 2012, the arts, entertainment and recreation industry supported a combined 38,920 public and private full- and part-time jobs (including proprietors) and a combined \$670.6 million in earnings and wages.

**Table 9: Total Annual Deplaned Passengers, Employment, and Wages, Salt Lake City International Airport, 2007-2012 (Dollar Amounts Are Millions of Constant 2012 Dollars)**

Year	Total Deplaned		%		%	
	Passengers	Change	Employment	Change	Wages	Change
2008	10,397,581	-5.8%	6,624	-2.0%	\$354.1	-27.8%
2009	10,228,929	-1.6%	6,127	-7.5%	\$326.7	-8.3%
2010	10,463,367	2.3%	6,288	2.6%	\$347.9	7.5%
2011	10,196,611	-2.5%	6,470	2.9%	\$375.0	11.0%
2012	10,064,456	-1.3%	6,133	-5.2%	\$360.8	-2.2%

Sources: BEBR Analysis of Salt Lake City International Airport and U.S. Bureau of Labor Statistics Data

**Table 10: Amtrak Performance, 2008-2013 (Wage Dollar Amounts Are Millions of Constant 2013 Dollars)**

Key Measurement	2008	2009	2010	2011	2012	2013	% Change	
							2008-2013	2012-2013
Ridership	38,540	37,906	48,539	48,022	52,856	55,283	43.4%	4.6%
Employment	47	48	43	47	47	51	8.5%	8.5%
Wages	\$3.8	\$4.4	\$3.4	\$3.8	\$3.7	\$4.1	8.4%	11.4%
Expenditures on Utah Goods and	\$459,644	\$570,838	\$15,520,727	\$597,810	\$8,092,059	\$9,039,874	(N/A)	(N/A)

Source: Amtrak

reservation services subsector experienced a 14 percent decrease in employment and 7 percent decrease in wages from 2003 to 2012. Like the charter bus, taxi and limousine, and scenic and sightseeing transportation

subsectors, the travel arrangement subsector has yet to recover to pre-recession levels. However, a 3-4 percent upswing in employment and wages was noted between 2011 and 2012. In 2012, this sector reported 5,304 direct full- and part-time jobs (does not include proprietors) with \$138.6 million in wages – greater than charter bus, taxi and limousine, and scenic and sightseeing transportation jobs and wages combined (Table 12).

**Arts, Entertainment, and Recreation Industry Performance**

Although arts, entertainment, and recreation industry performance is not tied as closely to the TTR industry as accommodations and transportation, traveler purchases do generate a portion of jobs in this sector.<sup>41</sup> Table 13 shows both private and public employment and earnings,<sup>42</sup> real state GDP and gross taxable sales data from 2008 to 2012. This sector includes Utah’s ski industry, nature parks, museums, zoos and

**Table 11: Utah’s Ground Transit and Transportation Industry, 2008-2012 (Dollar Amounts Are Millions of Constant 2012 Dollars)**

Key Measurement	2008	2009	2010	2011	2012	% Change	
						2008-2012	2011-2012
Employment	2,404	2,207	2,068	2,163	2,183	-9.2%	0.9%
Personal Income	\$75.9	\$72.6	\$71.5	\$77.4	\$76.4	0.7%	-1.2%
Real State GDP	\$271.0	\$303.4	\$295.2	\$267.4	(N/A)	-1.3%	(N/A)

Source: BEBR Analysis of U.S. Bureau of Economic Analysis Data

**Food Services & Drinking Places Industry Performance**

The food services and drinking places (foodservice) subsector, which includes restaurants and bars, is also part

of the leisure and hospitality sector. Although it’s likely that the majority of restaurant and bar patrons are local residents, a portion are usually travelers.<sup>43</sup> As shown in Table 14, foodservice employment, earnings and taxable sales all took a small dip during the recession (2009 and 2010), but made a comeback in 2011 and 2012. Real state GDP has made steady annual increases since 2008. Similar to arts, entertainment and recreation, Utah’s foodservice industry remained relatively strong between 2008 and 2012. In 2012, Utah’s foodservice industry provided 87,212 direct full- and part- time employee and proprietor jobs and \$1.7 billion in earnings.

41. In 2011, the U.S. Bureau of Economic Analysis’s Travel and Tourism Satellite Account program estimated that, on a national scale, 23 to 34 percent of purchases in the arts, entertainment and recreation sector were attributed to travelers.

42. Public employment and wage data is included in this table to capture public park and museum jobs.

43. In 2011, the U.S. Bureau of Economic Analysis’s Travel and Tourism Satellite Account program estimated that, on a national scale, 18 percent of purchases in the foodservice sector were attributed to travelers.

**Table 12: Utah's Charter Bus, Taxi & Limousine, Scenic & Sightseeing, and Travel Arrangements & Reservation Services Industries, 2003-2012 (Dollar Amounts Are Millions of Constant 2012 Dollars)**

Key Measurement	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	% Change 2003-2012	% Change 2011-2012
<b>Charter Bus Services</b>												
Employment	266	261	338	367	377	392	304	313	307	331	24.4%	7.8%
Wages	\$6.0	\$6.1	\$7.3	\$7.9	\$8.8	\$8.8	\$7.2	\$7.8	\$7.4	\$7.6	27.5%	3.7%
<b>Taxi and Limousine Services</b>												
Employment	243	249	250	329	368	385	355	375	404	315	29.6%	-22.0%
Wages	\$4.9	\$5.3	\$5.9	\$7.0	\$8.2	\$8.5	\$7.4	\$7.6	\$8.8	\$6.9	41.5%	-21.7%
<b>Scenic and Sightseeing Services</b>												
Employment	69	78	87	67	(N/A)	(N/A)	46	(N/A)	(N/A)	49	-29.0%	(N/A)
Wages	\$0.9	\$1.5	\$1.8	\$1.0	(N/A)	(N/A)	\$0.7	(N/A)	(N/A)	\$0.8	-9.7%	(N/A)
<b>Travel Arrangements and Reservation Services</b>												
Employment	6,139	5,775	5,956	5,991	6,164	5,854	5,159	5,186	5,156	5,304	-13.6%	2.9%
Wages	\$148.7	\$148.9	\$147.7	\$147.6	\$161.2	\$142.2	\$124.6	\$130.8	\$133.5	\$138.6	-6.8%	3.8%

Source: BEBR Analysis of U.S. Bureau of Labor Statistics Data

### Summary

Utah's diverse and seasonal tourism, travel and recreation industry has experienced slow but steady growth from 2003 to 2012, despite the recent recession. Increased numbers of tourists, travelers and recreationists, spanning a variety of ages and origins, continue to visit Utah's ski resorts, parks and other natural, cultural and historic attractions.

Total tourism-oriented direct employment increased 13 percent and tourism-oriented wages increased 14 percent from 2003 to 2012. Taxable sales in the leisure and hospitality sector increased 8 percent in a five-year span and 6 percent between 2011 and 2012.

Tourism-related TRCC, TRT, motor vehicle leasing, and ZAP tax revenues increased a combined 42 percent from 2003 to 2012, and were up 13 percent from 2011 to 2012.

Between 2003 and 2012, visitation increased 18 percent at Utah ski resorts, 30 percent at Utah's national parks, 7 percent at Utah's national places, and 11 percent at Utah's state parks.

As for TTR-related industry performance, the strongest industry performance was reported in Utah's arts, entertainment and recreation industry, which experienced increases in private jobs, earnings and real state GDP between 2008 and 2012, despite the recession. Utah's foodservice industry proved equally resilient with only slight dips in jobs, earnings and real state GDP during the

recession, followed by steady growth from 2010 to 2012. Utah's accommodations industry was definitely affected by the recession, most likely due to travelers staying closer to home in a tight economy, but has made a positive recovery since 2009. Utah's transportation industry experienced the greatest fluctuations in jobs, wages and real state GDP. For instance, Utah's passenger air industry reported a slight decrease in travelers and jobs from 2008 to

2012, while Amtrak passenger rail reported increases in ridership, employment and wages during the same time frame. Other transportation-related subsectors, such as charter bus, taxi and limousine services, scenic and sightseeing transportation, and travel arrangement and reservation services, have yet to return to pre-recession employment and wage levels.

Utah's tourism, travel and recreation industry is an integral part of Utah's

economy as it generates jobs and wages, diversifies by directly and indirectly supporting a variety of businesses, and contributes to Utah's overall tax base. TTR-generated taxes not only help promote future tourism marketing and the maintenance of tourism facilities, but also help fund a variety of public services, including education and health and human services. Looking ahead, BEBR remains cautiously optimistic, predicting slow but steady growth in Utah's tourism, travel and recreation industry in the years to come.

**Table 13: Utah's Arts, Entertainment, and Recreation Industry, 2008-2012 (Dollar Amounts Are Millions of Constant 2012 Dollars)**

Key Measurement	2008	2009	2010	2011	2012	% Change 2008-2012	% Change 2011-2012
Private Employment	34,033	34,193	34,475	35,511	37,361	9.8%	5.2%
Private Earnings	\$583.4	\$584.3	\$596.8	\$608.4	\$625.6	7.2%	2.8%
Public Employment	1,470	1,558	1,614	1,630	1,559	6.1%	-4.4%
Public Earnings	\$43.5	\$46.9	\$48.0	\$46.8	\$45.0	3.4%	-3.9%
Real State GDP	\$825.7	\$842.6	\$911.9	\$954.7	\$990.0	19.9%	3.7%
Taxable Sales	\$526.7	\$483.7	\$496.0	\$457.2	\$498.6	-5.3%	9.0%

Source: BEBR Analysis of U.S. Bureau of Economic Analysis and Utah State Tax Commission Data

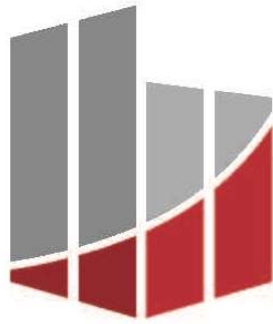
**Table 14: Utah's Foodservice Industry, 2008-2012 (Dollar Amounts Are Millions of Constant 2012 Dollars)**

Key Measurement	2008	2009	2010	2011	2012	% Change 2008-2012	% Change 2011-2012
Employment	83,136	81,155	80,740	83,366	87,212	4.9%	4.6%
Earnings	\$1,529.1	\$1,505.5	\$1,503.2	\$1,563.2	\$1,676.7	9.7%	7.3%
Real State GDP	\$2,093.7	\$2,149.3	\$2,223.6	\$2,300.9	(N/A)	(N/A)	(N/A)
Taxable Sales	\$2,935.6	\$2,825.9	\$2,873.6	\$2,975.3	\$3,118.6	6.2%	4.8%

Source: BEBR Analysis of U.S. Bureau of Economic Analysis and Utah State Tax Commission Data

## References

- Cliff, C. and E. Carr. 2008. *Utah Atlas: Geography & History*, Utah State University Department of Geography. Gibbs Smith Publishing, Layton, Utah.
- Dean Runyan Associates. 2013. *Colorado Travel Impacts, 1996-2012*.
- D.K. Shifflet & Associates, Ltd. 2012. *2012 Utah Overnight Leisure Study*.
- Frechtling, D. 1994. "Assessing the Impacts of Travel and Tourism – Measuring Economic Benefits," reprinted in Clement A. Tinsdall, ed., *The Economics of Tourism*, Edward Elgar Publishing Ltd., Cheltenham, UK, 2000.
- Grau, K., N. Nickerson, and J. Jorgenson. 2012. *The Economic Review of the Travel Industry in Montana*, Institute for Tourism and Recreation Research.
- Hintze, L. 2005. *Utah's Spectacular Geology: How it Came to Be*, B.Y.U. Department of Geology.
- RRC Associates. July 2013. *Ski Utah Skier & Snowboarder Survey 2012/13 Winter Research Results*.
- Stambro, J. 2013. *The Economic Impacts of the 2013 Sundance Film Festival Held in Utah From January 17, 2013 to January 27, 2013*, Bureau of Economic and Business Research, David Eccles School of Business, University of Utah.
- U.S. Census Bureau. 2012 *Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2012*. [http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=PEP\\_2013\\_PEPANNRES&prodType=table](http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=PEP_2013_PEPANNRES&prodType=table).
- U.S. Travel Association, 2013. *The Impact of Travel on State Economies*.
- Utah Foundation, 2000. *Financing Government in Utah: A Historical Perspective*.
- Utah Heritage Foundation. 2013. *Profits Through Preservation: The Economic Impact of Historic Preservation in Utah*.
- Utah Office of Outdoor Recreation. 2013. *The State of Utah Outdoor Recreation Vision*. <http://www.utah.gov/governor/docs/OutdoorRecreationVision.pdf>



# The ECONOMIC CLUB of UTAH

**Announcing the launch of the Economic Club of Utah. This new formal association will provide a forum to share research, data and analysis important to the success of the Utah economy, as well as provide networking opportunities for both established members of the business community and the next generation of economic leaders. For more information on the club and on how to join, please visit [www.economicclubofutah.com](http://www.economicclubofutah.com).**

Bureau of Economic and Business Research  
University of Utah  
401 Business Classroom Building  
1655 East Campus Center Drive  
Salt Lake City, Utah 84112-8939

**NON-PROFIT ORG.**  
U.S. POSTAGE PAID  
Salt Lake City, UT  
Permit No. 1529

**Address Service Requested**

# Utah Economic and Business Review

**BEBR**  
Bureau of Economic and Business Research  
David Eccles School of Business | University of Utah

2014 | Volume 73, Number 4

## University of Utah

David W. Pershing, *President*

## David Eccles School of Business

Taylor Randall, *Dean*

Natalie Gochnour, *Associate Dean*

## Bureau of Economic and Business Research

James A. Wood, *Director*

## RESEARCH STAFF

DJ Benway, *Research Analyst*

John C. Downen, *Senior Research Analyst*

Diane S. Gillam, *Administrative Officer*

Michael T. Hogue, *Senior Research Statistician*

Effie Johnson, *Utah State Data Center Coordinator*

Jennifer Leaver, *Research Analyst*

Darius Li, *Research Statistician*

Levi Pace, *Research Analyst*

Pamela S. Perlich, *Senior Research Economist*

Jan E. Stambro, *Senior Research Economist*

Nicholas P. Thiriot, *Research Analyst*

Natalie Young, *Research Analyst*



<http://www.bibr.utah.edu>

The University seeks to provide equal access to its programs, services, and activities to people with disabilities.