

ECONOMIC IMPACT OF THE MOTORCOACH AND GROUP TRAVEL INDUSTRY

2016

Total Direct Economic Impact of Motorcoach Travel and Tourism in Nebraska Congressional District 3:

\$136.09 million



Total Supplier Economic Impact:
\$120.12 million

Total Induced Economic Impact:
\$171.15 million

Overall Industry Impact: \$427.36 million

Direct Wages: \$49.91 million
Supplier Wages: \$24.83 million
Induced Wages: \$34.14 million
Total Wages: \$108.89 million

Direct Jobs: 1,839
Supplier Jobs: 523
Induced Jobs: 801
Total Jobs: 3,163



Federal Taxes Generated in the United States: \$93.43 million
State Taxes: \$71.57 million

Total Taxes Generated:
\$165.01 million



Passenger Miles Per Gallon by Transportation Mode

Motorcoach: 240
Commuter Rail: 90
Transit Bus: 70
Hybrid Cars: 50
Automobiles: 28

SOURCE: Updated Comparison of Energy Use & CO2 Emissions from Different Transportation Modes, M.J. Bradley & Associates, March 2014

1,441,361 million passenger trips in 2016

2016 DATA Nebraska Congressional District 3

The Honorable Adrian Smith

DIRECT ECONOMIC IMPACT

	JOBS	WAGES	OUTPUT
Motorcoaches	317	\$17,532,300	46,983,500
Hotel/Lodging	453	\$10,365,400	38,425,800
Eating and Drinking Places	648	\$11,165,300	25,485,200
Entertainment and Amusement	330	\$8,635,600	23,630,600
Retail	91	\$2,216,300	1,561,600
Total	1,839	\$49,914,900	\$136,086,700

SUPPLIER IMPACT

	JOBS	WAGES	OUTPUT
Agriculture	101	\$4,546,100	\$41,052,100
Mining	7	\$206,900	\$1,070,700
Construction	14	\$784,200	\$2,390,900
Manufacturing	43	\$2,481,400	\$21,654,200
Transportation & Communications	55	\$3,181,100	\$15,939,100
Wholesale	17	\$1,244,300	\$3,760,900
Retail	91	\$637,600	\$1,874,800
FIRE	239	\$1,699,800	\$9,920,100
Business & Personal Services	656	\$5,561,100	\$12,025,200
Travel & Entertainment	287	\$1,074,300	\$3,067,100
Government	121	\$3,411,100	\$7,365,300
Other	0	\$0	\$0
Total	523	\$24,827,900	\$120,120,400

INDUCED ECONOMIC IMPACT

	JOBS	WAGES	OUTPUT
Agriculture	144	\$5,867,000	\$58,986,300
Mining	3	\$49,100	\$620,400
Construction	8	\$410,300	\$1,380,600
Manufacturing	50	\$2,708,000	\$24,827,500
Transportation & Communications	40	\$2,753,100	\$19,220,400
Wholesale	27	\$1,980,400	\$5,991,600
Retail	95	\$2,776,800	\$6,803,800
FIRE	63	\$2,675,200	\$20,119,800
Business & Personal Services	278	\$12,462,200	\$24,970,400
Travel & Entertainment	64	\$1,083,100	\$3,933,400
Government	13	\$1,147,000	\$3,800,700
Other	16	\$231,900	\$498,900
Total	801	\$34,144,100	\$171,153,800

TOTAL ECONOMIC IMPACT

JOBS	WAGES	OUTPUT
3,163	\$108,886,900	\$1,375,787,500



AMERICAN BUS ASSOCIATION FOUNDATION

The Motorcoach Group Tour and Travel Industry Creates Jobs in Nebraska Congressional District 3

Companies that provide motorcoach services to intercity travelers and group tours are a critical part of Nebraska District 3's economy. Motorcoach operators, along with the companies that supply services and materials to them, provide well-paying jobs in District 3 and pay significant amounts in tax to federal, state and local governments.

Economic Impact of Motorcoach Tour and Travel in The Honorable Adrian Smith's District

	Direct	Supplier	Induced	Total
Jobs (FTE)	1,839	523	2,817	12,207
Wages	\$49,914,900	\$24,827,900	\$124,683,900	\$413,784,900
Economic Impact	\$136,086,700	\$360,070,900	\$513,269,700	\$1,375,787,500

The Motorcoach Industry is a Crucial Economic Driver in the District 3 Economy

- ❖ Motorcoach companies in District 3 provide good jobs paying an average of \$34,400, with drivers averaging \$54,430 in wages and benefits.¹ Today every job is important. In fact, in Nebraska the unemployment rate has reached 2.80 percent. This means that there are already 28,000 people trying to find jobs in the state, and collecting unemployment benefits.²
- ❖ In addition to providing good paying jobs for workers in District 3, motorcoaches are the most fuel- and carbon-efficient mode of passenger transportation. Motorcoach travel averages 239.8 passenger miles per gallon compared to commuter rail at 90.3, transit bus at 70.5, automobiles at 38.8 passenger miles per gallon.³
- ❖ Motorcoach operations in Nebraska, saves travelers \$2.79 million annually by alleviating congestion on local roads, city streets and major arteries by removing cars from travel lanes and adding productivity to the workforce.⁴ The industry provided nearly 1,441,361 passenger trips in 2016 with little to no public subsidy.⁵

Motorcoaches Help Ensure that Travel and Tourism Benefits Nebraska Congressional District 3

- ❖ Motorcoaches are important to local and regional tourism; providing flexible and cost-effective transportation for rural residents, commuters and intercity passengers; while linking airports and rail stations to the surface transportation network. This is all accomplished by an industry of small businesses with little to no public subsidy.
- ❖ Tourists throughout District 3 rely on motorcoaches to help get them around. It is estimated that motorcoach based travel brings as many as 1,441,361 visitors to the District, accounting for about 206,378 room-nights and \$136.09 million in spending.
- ❖ This helps create as many as 453 jobs in hotels, 648 jobs in local restaurants and about 330 jobs in various venues and attractions frequented by visitors traveling by motorcoach.

Nebraska Also Benefits From the Taxes Paid by the Industry

- ❖ Not only does the motorcoach travel and tourism industry create jobs, it also generates substantial revenues for state and local governments. In Nebraska, the industry and its employees pay over \$71.57 million in taxes including property, income, and sales based levies.⁶

Taxes Generated in the State of Nebraska	
Federal Taxes	\$93,433,500
State Taxes	\$71,571,600
Total Taxes	\$165,005,100

¹ Motorcoach industry jobs and wages from an economic impact model developed by John Dunham & Associates for the American Bus Association Foundation, 2016. Driver wages are state averages based on the reported wage rate for bus drivers from the Bureau of Labor Statistics, *May 2016 National Occupational Employment and Wage Estimates United States*, at <https://data.bls.gov/oes/#/home>, multiplied by 1.3 to reflect estimated benefits.

² The Bureau of Labor Statistics. Available on-line at: www.bls.gov/lau/home.htm. Data for August-17.

³ *Updated Comparison of Energy Use & CO2 Emissions from Different Transportation Modes*, Prepared for the American Bus Association Foundation by MJB&A, April 2014.

⁴ Based on Schrank, David and Tim Lomax, *Mobility Benefits from Motorcoach Service*, Texas Transportation Institute, December 2009. Data updated using delay per commuter ratio from Eisele, Bill, Lomax, Tim and Jim Bak, *2015 Urban Mobility Scorecard*, Published jointly by The Texas A&M Transportation Institute and INRIX, August 2015 and Schrank, David, and Tim Lomax, *2009 Urban Mobility Report*, Texas Transportation Institute, July 2009

⁵ Op. cit, John Dunham & Associates.

⁶ Ibid.