

**CHAPTER FIVE**

**Total Economic Impacts from  
Heritage Tourism**

## INTRODUCTION AND SUMMARY

Chapter Four indicated that, on average, the direct expenditures of New Jersey heritage travelers amounted to \$432 million annually between 1993 and 1995. Of that total, heritage day-trippers spent \$277 million and heritage overnighers \$156 million.

This chapter translates this direct spending into total economic benefits by applying the Regional Science Research Corporation's PC I-O Model. An overview of the results is contained in the table below. It shows that the total annual economic impacts of the \$432 million in average annual spending by New Jersey heritage travelers include 15,530 new jobs, \$383 million in income, \$559 million in gross domestic product, and \$216 million in taxes. As in the case of historic rehabilitation construction, New Jersey receives roughly half of these gains. In-state wealth creation amounts to about \$230 million.

### Total Economic Impacts of Annual New Jersey Heritage Tourism Spending (\$432 Million)

	In New Jersey	Outside New Jersey	Total (U.S.)
Jobs (person years)	7,085	8,445	15,530
Income (\$000)	\$168,332	\$214,835	\$383,167
GDP/GSP (\$000)	\$286,522	\$272,882	\$559,404
Total Taxes (\$000)	\$134,367	\$81,898	\$216,265
Federal (\$000)	\$56,445	\$53,758	\$110,203
State (\$000)	\$62,191	\$15,444	\$77,635
Local (\$000)	\$15,731	\$12,696	\$28,427
In-State Wealth (\$000) (GSP Minus Federal Taxes)	\$230,077	-----	-----

GDP/GSP = Gross domestic product/Gross state product

## TOTAL ECONOMIC IMPACTS FROM HERITAGE TOURISM

### *Nationwide Impacts*

The details of the economic effects of the \$432 million in direct heritage tourism spending are contained in Exhibits 5.1 to 5.6. Item 1 of Section II in Exhibit 5.1 shows, for instance, that the direct effects of heritage tourism spending to the nation translate into 7,497 new jobs, and an increase of \$134 million in income and \$243 million in GDP. The GDP/investment ratio (0.56) reveals even more significant levels of importing in the support of heritage tourism than in the support of historic building rehabilitation (GDP/investment ratio = 0.62). Multiplier effects add 8,033 more jobs, \$249 million more income, and \$316 million more GDP. Therefore, the total economic impacts of New Jersey heritage tourism—the sum of its direct and indirect and induced effects—are 15,530 jobs (7,497 + 8,033), \$383 million income (\$134 million + \$249 million), and \$559 million in GDP (\$243 million + \$316 million).

In all instances, the indirect and induced effects exceed the direct effects (the traditional multipliers are greater than 2.0). Nevertheless, the multipliers tend to be lower for heritage tourism than for historic building rehabilitation. This difference is due to the relatively greater amount of imported goods required to support heritage tourism. An economy can generate only limited multiplier effects from imported goods and services.

Of the total 15,530 jobs generated nationwide by New Jersey heritage tourism, the bulk is three major industries: retail trade (6,794 jobs), services (4,096 jobs), and manufacturing (1,738 jobs). Of the total \$383 million in labor income generated, these same three industries account for \$109 million, \$99 million, and \$66 million, respectively. Simple division of the number of jobs into the amount of labor income generated shows that nationwide the labor income per job supporting heritage tourism is \$16,105 for retail trade, \$24,117 for services, and \$37,905 for manufacturing. Because of New Jersey heritage tourism's emphasis in retail trade and services, the nation's average labor income per job supporting the tourism is \$24,673. This figure is substantially lower than the \$33,926 average income per job supporting the state's historic building rehabilitation, because the rehabilitation requires many more high-paying construction jobs.

The dichotomy in job quality is even starker between jobs created indirectly and directly by New Jersey heritage tourism. Items 1 and 2 in Section II of Exhibit 5.1 reveals that indirectly created jobs pay on average \$30,957, while jobs created directly pay on average \$17,939—a difference of \$13,018 per job. Low-paying jobs, in other words, create indirectly other high-paying jobs. Some, but not all, of the pay gap between direct and indirect jobs is due to the part-time nature of the direct jobs created in the retail trade and service industries. A finer breakout of national economic impacts by industry (Exhibit 5.2) shows that of the 4,096 jobs created in the service industries, about a third (1,483 jobs) are in the hotels/lodging category. Further, over 70 percent of the 6,794 retail jobs created through New Jersey heritage tourism are in eating/drinking establishments. These two industries are notorious for paying low wages and are composed of part-time jobs in unusually high proportions. An examination of Exhibit 5.3 provides even more information. Low-paying sales, service, and administrative support occupations comprise nearly 66 percent of all New Jersey heritage tourism jobs. Blue-collar occupations make up 19 percent; while a meager 13 percent are in high-paying managerial and professional specialty jobs.

An evaluation of the job productivity (GDP per job) reveals a much slimmer gap of \$6,919 (\$39,361 versus \$32,442) between indirect and direct jobs supporting New Jersey heritage tourism. The differences between the two indirect-to-direct-job pay gaps (labor income/job and GDP/job) suggests that the firms creating heritage tourism's direct jobs gain large profits at the expense of the wages of their employees. At any rate, the pay gap between the indirectly and directly created jobs in this category causes the traditional national multiplier for labor income to be higher for heritage tourism than for historic building rehabilitation. It also causes the national employment multiplier to be extraordinarily low.

Which helps the national economy more on average, \$1 million in heritage tourism spending or \$1 million in historic building rehabilitation? The last section of Exhibits 3.1 and 5.1 provide the answer. A comparison of these two sections reveals that historic building rehabilitation provides a substantially higher return for every measure except state taxes. One can also readily infer that weak investment in historic building rehabilitation will eventually lead to lower annual spending on heritage tourism. Hence, while technically historic building rehabilitation "helps" the national economy more than does heritage tourism, it may be difficult to get one without the other.

The economic effects from the constituent components of the spending by heritage day-trippers (\$277 million), and heritage overnighters (\$155 million) are separately indicated in Appendix G. The results reflect the orders of magnitude of the

respective travelers. Thus, day-tripper heritage tourists have greater economic consequences than overnights: nationally they generate 10,134 jobs, \$247 million in income, and \$359 million in GDP, out of the total of 15,530 jobs, \$383 million in income, and \$559 million of GDP. This does not mean that the heritage day-tripper is “more important” than the heritage overnights. It simply means that under today’s conditions, there are more heritage day-trippers (about 5 million annually) than there are heritage overnights (about 4.1 million annually), and that much more of the heritage day-tripper’s spending can reasonably be “credited” to heritage purposes.

After controlling for the amount of spending by tourist type, one can see that the spending of day-trippers still provides more economic benefits nationwide than does the spending of overnights. (Compare the effects per one million dollars of initial expenditure in Exhibits G-1 and G-4.) The difference in the impact provided by the two types is virtually insignificant. Hence, the greater spending by overnights on accommodations is clearly not an economic advantage to the nation.

### *State-Level Impacts*

Exhibits 5.4 through 5.6 present the total economic effects of heritage tourism spending in state. Item 1 in Section II of Exhibit 5.4 show that New Jersey retains about 5,070 or 68 percent of the total direct jobs (7,497) created in support of heritage tourism. This percentage is substantially lower the 93 percent job retention rate for historic building rehabilitation, because much of the heritage tourism spending is on items that, although purchased at retailers in the state, are produced outside of the state (e.g., gifts, food items, gasoline). New Jersey retains an even lower proportion of the indirect and induced heritage tourism employment impacts—only about 25 percent (2,015 of 8,033 jobs). Again, the state’s status as a suburb to New York City and Philadelphia serves to explain this phenomenon.

In sum, through heritage tourism New Jersey gains 7,085 jobs (46 percent of the total 15,530 jobs generated nationally), \$168 million in income (44 percent of the \$383 million in income generated nationally), and \$287 million in wealth (51 percent of the \$559 million added to national GDP). Heritage tourism’s state multiplier effects (measured by subtracting one from the multipliers and dividing the region’s multiplier by the nation’s)<sup>1</sup> range between 19 and 37 percent of the nation’s (Exhibits 5.1 and 5.4).

Thus, the economic benefits of heritage tourism that accrue to New Jersey are concentrated in the direct effects. As we mentioned earlier, the jobs created are relatively low-paying. At \$23,759, the average labor income per job in New Jersey generated through the state’s heritage tourism is somewhat below the equivalent national average labor income per job of \$24,673. Even the jobs that New Jersey’s gets indirectly through heritage tourism do not pay all that well—\$27,697 per job—compared to what the rest of the nation receives—\$30,957 per job.

Finer grained detail of state impacts by industry (Exhibit 5.5) and occupation (Exhibit 5.6) are also available and reflect concentrations similar to those noted at the

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<sup>1</sup> Multipliers are defined as the sum of direct, indirect, and induced effects divided by the direct effects. Since direct effects are in both the numerator and denominator, multipliers can alternatively be defined as one plus the sum of indirect and induced effects divided by the direct effects. Hence by subtracting one we get only the multiplier effect itself, which is the sum of indirect and induced effects divided by the direct effects.

national level. Of the 7,085 total state-level jobs derived from heritage tourism, most are to be found in eating/drinking places (2,159 jobs) and hotels/lodging (1,857 jobs). Of the total \$168 million generated in annual income, the eating/drinking and hotels/lodging industries garner \$38 million and \$43 million, respectively. The eating/drinking and hotels/lodging industries also comprise \$50 million and \$69 million, respectively, of the total \$287 million increase in state gross domestic product (Exhibit 5.5). The breakout of impacts by occupation (Exhibit 5.6) shows a similarly disproportionate number of jobs in the food preparation/services category (2,400 jobs) and among cashiers and retail salespersons (577 jobs).

The economic effects on New Jersey from the constituent components of the spending by heritage day-trippers (\$277 million), and heritage overnights (\$155 million) are shown separately in Appendix G. As in the case of the nation, the economic results reflect the orders of magnitude of the respective travelers. In other words, day-tripper heritage tourists have greater economic consequences (nearly twice the magnitude) in the state than do overnights; they generate 4,652 jobs, \$108 million in income, and \$182 million in production, out of the statewide total of 7,085 jobs, \$168 million in income, and \$287 million of production. Despite the large differences in their outcome, the economic importance of heritage day-trip visitors vis-à-vis heritage overnight visitors is not entirely clear. A large proportion of day-trippers are New Jerseyans who might spend the same amount of cash or invest in New Jersey products or services in any event. Overnight heritage travelers are much more likely to originate from locales outside of the state. Their net economic addition to the economy is more certain.

Another way to examine the relative importance of the two types of heritage tourists is to control for the amount that they spend by calculating the relative impacts per million dollars of spending. These comparisons are presented at the bottom of Exhibits G-7 and G-10. From these exhibits it is clear that dollar-for-dollar the spending of day-trippers provides more economic benefits than does the spending of overnights. The net differences in the benefits are quite small, however. Hence, the greater spending by overnights on accommodations (the main difference in the spending patterns between the two groups) is not a clear economic advantage. Yet the overnights provide the benefits of spending more per trip and comprise a larger share of out-of-state residents whose spending is a net “import” to New Jersey’s economy.

**Exhibit 5.1**  
**National Economic and Tax Impacts of Annual New Jersey**  
**Heritage Tourism Spending (\$432 Million)**

	Economic Component		
	Employment	Income	Gross Domestic Product
	(jobs)	(000\$)	(000\$)
<b>I. TOTAL EFFECTS (Direct and Indirect/Induced)*</b>			
<b>Private</b>			
1. Agriculture	47	5,610	9,336
2. Agri. Serv., Forestry, & Fish	102	3,307	3,642
3. Mining	50	2,857	11,489
4. Construction	179	6,880	7,242
5. Manufacturing	1,738	65,879	102,036
6. Transport. & Public Utilities	584	27,364	51,703
7. Wholesale	341	14,514	37,666
8. Retail Trade	6,794	109,424	126,067
9. Finance, Ins., & Real Estate	1,164	41,485	75,461
10. Services	4,096	98,782	128,188
Private Subtotal	15,095	376,077	552,765
<b>Public</b>			
11. Government	<u>435</u>	<u>7,090</u>	<u>6,639</u>
Total Effects (Private and Public)	15,530	383,167	559,404
<b>II. DISTRIBUTION OF EFFECTS/MULTIPLIER</b>			
1. Direct Effects	7,497	134,493	243,220
2. Indirect and Induced Effects	<u>8,033</u>	<u>248,674</u>	<u>316,184</u>
3. Total Effects	15,530	383,167	559,404
4. Multipliers (3÷1)	2.071	2.849	2.300
<b>III. COMPOSITION OF GROSS DOMESTIC PRODUCT</b>			
1. Wages—Net of Taxes			346,688
2. Taxes			
a. Local			28,427
b. State			77,635
c. Federal			
General			64,332
Social Security			45,871
Federal Subtotal			110,203
d. Total taxes (2a+2b+2c)			216,265
3. Profits, dividends, rents, and other			(11,626)
4. Total Gross Domestic Product (1+2+3)			551,328
<b>EFFECTS PER MILLION DOLLARS OF INITIAL EXPENDITURE</b>			
Employment (Jobs)			35.9
Income			\$886,747
State Taxes			\$179,667
Local Taxes			\$65,788
Gross Domestic Product			\$1,294,604

*Note:* Detail may not sum to totals due to rounding.

\*Terms:

Direct Effect (National)—the amount of goods and services purchased in the nation.

Indirect Effects—the value of goods and services needed to support the provision of those direct economic effects.

Induced Effects—the value of goods and services needed by households that provide the direct and indirect labor.

Source: Rutgers University Center for Urban Policy Research, 1997.

**Exhibit 5.2**  
**National Economic Impacts of Annual New Jersey**  
**Heritage Tourism Spending (\$432 Million)**

INDUSTRY	Industry Component		
	Employment (jobs)	Income (\$000)	Gross Domestic Product (\$000)
<b>Agriculture</b>	<b>47</b>	<b>5,610</b>	<b>9,336</b>
Dairy Prod., Poultry, & Eggs	8	1,111	1,466
Meat Animals & Misc. Livestock	16	1,504	1,927
Cotton	1	81	108
Grains & Misc. Crops	14	1,883	3,761
Tobacco	4	596	972
Fruits, Nuts, & Vegetables	1	231	817
Forest Prod.	0	23	60
Greenhouse & Nursery Prod.	3	181	225
<b>Agri. Serv., Forestry, &amp; Fish</b>	<b>102</b>	<b>3,307</b>	<b>3,642</b>
Agri. Services (07)	45	743	780
Forestry (08)	5	31	184
Fishing, Hunting, & Trapping (09)	52	2,533	2,678
<b>Mining</b>	<b>50</b>	<b>2,857</b>	<b>11,489</b>
Metal Mining (10)	4	256	304
Coal Mining (12)	0	0	0
Oil & Gas Extraction (13)	42	2,435	10,888
Nonmetal Min.-Ex. Fuels (14)	4	166	297
<b>Construction</b>	<b>179</b>	<b>6,880</b>	<b>7,242</b>
General Bldg. Contractors (15)	34	1,417	1,492
Heavy Const. Contractors (16)	22	851	896
Special Trade Contractors (17)	124	4,611	4,854
<b>Manufacturing</b>	<b>1,738</b>	<b>65,879</b>	<b>102,036</b>
Food & Kindred Prod. (20)	358	13,521	23,156
Tobacco Manufactures (21)	8	472	2,469
Textile Mill Prod. (22)	62	1,513	2,103
Apparel & Other Prod. (23)	136	2,505	2,719
Lumber & Wood Prod. (24)	37	1,126	1,676
Furniture & Fixtures (25)	32	785	924
Paper & Allied Prod. (26)	71	3,557	6,001
Printing & Publishing (27)	218	7,561	9,997
Chemicals & Allied Prod. (28)	92	5,619	9,894
Petroleum & Coal Prod. (29)	17	1,727	5,432
Rubber & Misc. Plastics (30)	92	3,328	3,792
Leather & Leather Prod. (31)	35	711	868
Stone, Clay, & Glass (32)	42	1,518	1,750
Primary Metal Prod. (33)	43	2,462	2,744
Fabricated Metal Prod. (34)	74	3,186	4,156
Machinery, Except Elec. (35)	58	2,545	3,047
Electric & Elec. Equip. (36)	45	1,830	2,756
Transportation Equipment (37)	75	4,237	5,526
Instruments & Rel. Prod. (38)	62	2,437	2,605
Misc. Manufacturing Ind's. (39)	181	5,237	10,422

**Exhibit 5.2 (continued)**  
**National Economic Impacts of Annual New Jersey**  
**Heritage Tourism Spending (\$432 Million)**

INDUSTRY	Industry Component		
	Employment (jobs)	Income (\$000)	Gross Domestic Product (\$000)
<b>Transport. &amp; Public Utilities</b>	<b>584</b>	<b>27,364</b>	<b>51,703</b>
Railroad Transportation (40)	22	1,136	1,822
Local Pass. Transit (41)	129	3,304	3,695
Trucking & Warehousing (42)	111	4,410	4,628
Water Transportation (44)	11	427	655
Transportation by Air (45)	33	1,975	2,614
Pipe Lines-Ex. Nat. Gas (46)	2	126	596
Transportation Services (47)	22	908	997
Communication (48)	136	8,133	16,349
Elec., Gas, & Sanitary Serv. (49)	116	6,945	20,345
<b>Wholesale</b>	<b>341</b>	<b>14,514</b>	<b>37,666</b>
Whlsale-Durable Goods (50)	103	4,756	15,577
Whlsale-Nondurable Goods (51)	238	9,759	22,089
<b>Retail Trade</b>	<b>6,795</b>	<b>109,424</b>	<b>126,067</b>
Bldg. Mat.-Garden Supply (52)	75	2,102	2,319
General Merch. Stores (53)	393	6,754	9,909
Food Stores (54)	274	5,460	6,106
Auto. Dealers-Serv. Stat. (55)	272	7,764	8,685
Apparel & Access. Stores (56)	127	2,139	3,337
Furniture & Home Furnish. (57)	27	822	1,007
Eating & Drinking Places (58)	4,862	68,333	79,950
Miscellaneous Retail (59)	765	16,051	14,754
<b>Finance, Ins., &amp; Real Estate</b>	<b>1,164</b>	<b>41,485</b>	<b>75,461</b>
Banking (60)	146	5,308	9,589
Nondep. Credit Institut. (61)	125	4,503	4,056
Security, Comm. Brokers (62)	56	4,496	6,203
Insurance Carriers (63)	152	6,624	7,108
Ins. Agents, Brokers (64)	251	9,654	10,146
Real Estate (65)	169	1,312	29,724
Holding and Invest. Off. (67)	265	9,588	8,636
<b>Services</b>	<b>4,096</b>	<b>98,782</b>	<b>128,188</b>
Hotels & Other Lodging (70)	1,483	25,476	48,512
Personal Services (72)	437	7,954	8,469
Business Services (73)	696	18,360	20,358
Auto Repair, Serv., Garages (75)	195	7,567	9,213
Misc. Repair Services (76)	125	3,454	3,647
Motion Pictures (78)	151	3,787	3,430
Amusement & Recreation (79)	201	5,091	5,831
Health Services (80)	191	6,751	7,135
Legal Services (81)	74	4,797	5,309
Educational Services (82)	69	1,357	1,474
Social Services (83)	79	1,095	1,225
Museums, Botan.-Zoo. Gardens (84)	4	108	106
Membership Organizations (86)	173	3,532	3,466
Engineer. & Manage. Serv. (87)	209	8,999	9,540
Miscellaneous Services (89)	9	453	472
<b>Government</b>	<b>435</b>	<b>7,090</b>	<b>6,639</b>
<b>Total</b>	<b>15,530</b>	<b>383,167</b>	<b>559,404</b>



*Note:* Detail may not sum to totals due to rounding.

**Exhibit 5.3**  
**National Employment Impacts by Occupation of Annual New Jersey**  
**Heritage Tourism Spending (\$432 Million)**

<b>OCCUPATION TITLE</b>	<b>Employment</b> <b>(jobs)</b>
<b>Total, All Occupations</b>	<b>15,530</b>
<b>Exec., Admin., and Management Occupations</b>	<b>1,431</b>
Managerial and Administrative Occupations	1,091
Management Support Occupations	340
<b>Professional Specialty Occupations</b>	<b>579</b>
Engineers	66
Architects and Surveyors	4
Life Scientists	5
Computer, Math, and Operations Res. Analysts	38
Physical Scientists	12
Social Scientists	4
Social, Recreational, and Relig. Workers	41
Lawyers and Judicial Workers	26
Teachers, Librarians, and Counselors	88
Health Diagnosing Occupations	14
Health Assessment & Treating Occupations	65
Writers, Artists, and Entertainers	169
All Other Professional Workers	46
<b>Technicians and Related Support Occupations</b>	<b>247</b>
Health Technicians and Technologists	114
Engineering & Science Technicians & Technologists	61
Technicians, Except Health and Engin. & Science	71
<b>Marketing and Sales Occupations</b>	<b>1,869</b>
Cashiers	534
Counter and Rental Clerks	63
Insurance Sales Workers	62
Real Estate Agents, Brokers, & Appraisers	21
Salespersons, Retail	606
Securities and Financial Service Sales Workers	21
Stock Clerks, Sales Floor	155
Travel Agents	6
All Other Sales and Related Workers	401
<b>Administrative Support Occupations, incl. Clerical</b>	<b>2,330</b>
Adjusters, Investigators, & Collectors	134
Communications Equipment Operators	39
Computer & Peripheral Equipment Operators	29
Financial Records Processing Occupations	333
Information Clerks	236
Mail Clerks and Messengers	23
Postal Clerks and Mail Carriers	163
Mat'l Record., Sched., Dispatch, & Distrib. Occs.	224
Records Processing Occupations, except Financial	90
Secretaries, Stenographers, and Typists	368
Other Clerical and Administrative Support Workers	692

**Exhibit 5.3 (continued)**  
**National Employment Impacts by Occupation of Annual New Jersey**  
**Heritage Tourism Spending (\$432 Million)**

<b>OCCUPATION TITLE</b>	<b>Employment</b> <b>(jobs)</b>
<b>Service Occupations</b>	<b>6,016</b>
Cleaning & Building Service Occs., except Private	736
Food Preparation and Service Occupations	4,563
Health Service Occupations	75
Personal Service Occupations	285
Protective Service Occupations	138
All Other Service Workers	219
<b>Agric., Forestry, Fishing, &amp; Related Occupations</b>	<b>179</b>
Animal Caretakers, except Farm	7
Farm Occupations	75
Farm Operators and Managers	12
Fishers, Hunters, and Trappers	2
Forestry and Logging Occupations	5
Gardeners & Groundskeepers, except farm	62
Supervisors, Farming, Forestry, & Agricul. Occs.	7
All Other Agric., Forestry, Fishing, & Rel. Workers	10
<b>Precision Production, Craft, &amp; Repair Occupations</b>	<b>1,114</b>
Blue-collar Worker Supervisors	144
Construction Trades	125
Extractive and Related Workers, Incl. Blasters	10
Mechanics, Installers, and Repairers	528
Production Occupations, Precision	287
Plant and System Occupations	20
<b>Operators, Fabricators, and Laborers</b>	<b>1,768</b>
Mach. Setters, Set-up Ops, Operators, & Tenders	552
Hand Workers, incl. Assemblers & Fabricators	209
Transp. & Material Moving Machine & Vehicle Ops.	547
Helpers, Laborers, & Material Movers, Hand	461

*Note:* Detail may not sum to totals due to rounding.

**Exhibit 5.4**  
**In-State Economic and Tax Impacts of Annual New Jersey**  
**Heritage Tourism Spending (\$432 Million)**

	<b>Economic Component</b>		
	<b>Employment (jobs)</b>	<b>Income (000\$)</b>	<b>Gross State Product (000\$)</b>
<b>I. TOTAL EFFECTS (Direct and Indirect/Induced)*</b>			
<b>Private</b>			
1. Agriculture	7	33	133
2. Agri. Serv., Forestry, & Fish	19	414	1,310
3. Mining	0	15	24
4. Construction	76	3,064	3,440
5. Manufacturing	405	13,751	31,821
6. Transport. & Public Utilities	210	5,588	13,099
7. Wholesale	140	11,755	24,699
8. Retail Trade	3,091	57,704	81,401
9. Finance, Ins., & Real Estate	191	8,342	25,305
10. Services	2,781	65,222	102,856
Private Subtotal	6,920	165,873	284,036
<b>Public</b>			
11. Government	<u>165</u>	<u>2,459</u>	<u>2,486</u>
Total Effects (Private and Public)	7,085	168,332	286,522
<b>II. DISTRIBUTION OF EFFECTS/MULTIPLIER</b>			
1. Direct Effects	5,070	112,522	230,412
2. Indirect and Induced Effects	<u>2,015</u>	<u>55,810</u>	<u>56,111</u>
3. Total Effects	7,085	168,332	286,522
4. Multipliers (3÷1)	1.398	1.496	1.244
<b>III. COMPOSITION OF GROSS STATE PRODUCT</b>			
1. Wages--Net of Taxes			147,983
2. Taxes			
a. Local			15,731
b. State			62,191
c. Federal			
General			32,950
Social Security			23,495
Federal Subtotal			56,445
d. Total taxes (2a+2b+2c)			134,367
3. Profits, dividends, rents, and other			(3,904)
4. Total Gross State Product (1+2+3)			278,446
<b>EFFECTS PER MILLION DOLLARS OF INITIAL EXPENDITURE</b>			
Employment (Jobs)			16.4
Income			\$389,562
State Taxes			\$143,926
Local Taxes			\$36,405
Gross State Product			\$663,086

*Note:* Detail may not sum to totals due to rounding.

\*Terms:

Direct Effect (State)—the amount of goods and services purchased in New Jersey.

Indirect Effects—the value of goods and services needed to support the provision of those direct economic effects.

Induced Effects—the value of goods and services needed by households that provide the direct and indirect labor.

*Source:* Rutgers University Center for Urban Policy Research, 1997.

**Exhibit 5.5**  
**In-State Economic Impacts of Annual New Jersey**  
**Heritage Tourism Spending (\$432 Million)**

INDUSTRY	Industry Component		
	Employment (jobs)	Income (\$000)	Gross State Product (\$000)
<b>Agriculture</b>	<b>7</b>	<b>33</b>	<b>133</b>
Dairy Prod., Poultry, & Eggs	1	5	12
Meat Animals & Misc. Livestock	0	0	1
Cotton	0	0	0
Grains & Misc. Crops	0	0	6
Tobacco	2	9	54
Fruits, Nuts, & Vegetables	0	0	3
Forest Prod.	0	0	4
Greenhouse & Nursery Prod.	4	18	54
<b>Agri. Serv., Forestry, &amp; Fish</b>	<b>19</b>	<b>414</b>	<b>1,310</b>
Agri. Services (07)	10	164	238
Forestry (08)	0	1	8
Fishing, Hunting, & Trapping (09)	9	248	1,064
<b>Mining</b>	<b>0</b>	<b>15</b>	<b>24</b>
Metal Mining (10)	0	0	0
Coal Mining (12)	0	0	0
Oil & Gas Extraction (13)	0	0	0
Nonmetal Min.-Ex. Fuels (14)	0	15	24
<b>Construction</b>	<b>76</b>	<b>3,064</b>	<b>3,440</b>
General Bldg. Contractors (15)	16	662	821
Heavy Const. Contractors (16)	7	354	373
Special Trade Contractors (17)	53	2,049	2,246
<b>Manufacturing</b>	<b>405</b>	<b>13,751</b>	<b>31,821</b>
Food & Kindred Prod. (20)	104	3,532	10,418
Tobacco Manufactures (21)	0	1	5
Textile Mill Prod. (22)	5	155	221
Apparel & Other Prod. (23)	22	444	758
Lumber & Wood Prod. (24)	2	69	104
Furniture & Fixtures (25)	2	60	84
Paper & Allied Prod. (26)	24	684	1,220
Printing & Publishing (27)	46	1,334	2,149
Chemicals & Allied Prod. (28)	58	2,246	5,116
Petroleum & Coal Prod. (29)	11	705	3,384
Rubber & Misc. Plastics (30)	13	364	603
Leather & Leather Prod. (31)	1	36	58
Stone, Clay, & Glass (32)	19	511	862
Primary Metal Prod. (33)	3	165	258
Fabricated Metal Prod. (34)	16	627	989
Machinery, Except Elec. (35)	10	323	473
Electric & Elec. Equip. (36)	6	204	325
Transportation Equipment (37)	6	288	562
Instruments & Rel. Prod. (38)	10	346	782
Misc. Manufacturing Ind's. (39)	45	1,658	3,451

**Exhibit 5.5 (continued)**  
**In-State Economic Impacts of Annual New Jersey**  
**Heritage Tourism Spending (\$432 Million)**

INDUSTRY	<b>Industry Component</b>		
	Employment (jobs)	Income (\$000)	Gross State Product (\$000)
<b>Transport. &amp; Public Utilities</b>	<b>210</b>	<b>5,588</b>	<b>13,099</b>
Railroad Transportation (40)	1	32	62
Local Pass. Transit (41)	96	1,919	2,595
Trucking & Warehousing (42)	24	584	1,068
Water Transportation (44)	1	92	137
Transportation by Air (45)	5	169	350
Pipe Lines-Ex. Nat. Gas (46)	0	1	10
Transportation Services (47)	6	222	340
Communication (48)	36	1,811	6,088
Elec., Gas, & Sanitary Serv. (49)	42	758	2,449
<b>Wholesale</b>	<b>140</b>	<b>11,755</b>	<b>24,699</b>
Whlsale-Durable Goods (50)	57	3,065	8,346
Whlsale-Nondurable Goods (51)	83	8,690	16,353
<b>Retail Trade</b>	<b>3,091</b>	<b>57,704</b>	<b>81,401</b>
Bldg. Mat.-Garden Supply (52)	21	562	882
General Merch. Stores (53)	227	4,036	7,543
Food Stores (54)	128	2,727	4,183
Auto. Dealers-Serv. Stat. (55)	101	3,273	4,819
Apparel & Access. Stores (56)	58	1,110	2,326
Furniture & Home Furnish. (57)	10	268	495
Eating & Drinking Places (58)	2,159	37,913	49,934
Miscellaneous Retail (59)	388	7,815	11,221
<b>Finance, Ins., &amp; Real Estate</b>	<b>191</b>	<b>8,342</b>	<b>25,305</b>
Banking (60)	33	1,572	3,187
Nondep. Credit Institut. (61)	23	1,055	1,154
Security, Comm. Brokers (62)	9	713	776
Insurance Carriers (63)	33	2,048	2,185
Ins. Agents, Brokers (64)	11	288	503
Real Estate (65)	64	1,812	16,568
Holding and Invest. Off. (67)	18	852	932
<b>Services</b>	<b>2,782</b>	<b>65,223</b>	<b>102,856</b>
Hotels & Other Lodging (70)	1,857	42,853	68,685
Personal Services (72)	239	4,136	5,812
Business Services (73)	207	1,739	2,476
Auto Repair, Serv., Garages (75)	65	2,044	6,186
Misc. Repair Services (76)	37	780	1,615
Motion Pictures (78)	46	1,323	1,535
Amusement & Recreation (79)	95	3,087	3,923
Health Services (80)	71	2,967	3,613
Legal Services (81)	35	2,011	2,673
Educational Services (82)	26	583	656
Social Services (83)	10	272	391
Museums, Botan.-Zoo. Gardens (84)	0	20	25
Membership Organizations (86)	43	1,176	1,397
Engineer. & Manage. Serv. (87)	47	2,074	3,626
Miscellaneous Services (89)	4	158	246
<b>Government</b>	<b>165</b>	<b>2,459</b>	<b>2,486</b>
<b>Total</b>	<b>7,085</b>	<b>168,332</b>	<b>286,523</b>

*Note:* Detail may not sum to totals due to rounding.



**Exhibit 5.6**  
**In-state Employment Impacts by Occupation of Annual New Jersey**  
**Heritage Tourism Spending (\$432 Million)**

<b>OCCUPATION TITLE</b>	<b>Employment (jobs)</b>
<b>Total, All Occupations</b>	<b>7,085</b>
<b>Exec., Admin., and Management Occupations</b>	<b>567</b>
Managerial and Administrative Occupations	467
Management Support Occupations	100
<b>Professional Specialty Occupations</b>	<b>201</b>
Engineers	19
Architects and Surveyors	1
Life Scientists	2
Computer, Math, and Operations Res. Analysts	10
Physical Scientists	4
Social Scientists	1
Social, Recreational, and Relig. Workers	17
Lawyers and Judicial Workers	12
Teachers, Librarians, and Counselors	31
Health Diagnosing Occupations	7
Health Assessment & Treating Occupations	28
Writers, Artists, and Entertainers	54
All Other Professional Workers	16
<b>Technicians and Related Support Occupations</b>	<b>97</b>
Health Technicians and Technologists	57
Engineering & Science Technicians & Technologists	19
Technicians, Except Health and Engin. & Science	21
<b>Marketing and Sales Occupations</b>	<b>866</b>
Cashiers	277
Counter and Rental Clerks	27
Insurance Sales Workers	6
Real Estate Agents, Brokers, & Appraisers	7
Salespersons, Retail	300
Securities and Financial Service Sales Workers	3
Stock Clerks, Sales Floor	76
Travel Agents	2
All Other Sales and Related Workers	168
<b>Administrative Support Occupations, incl. Clerical</b>	<b>859</b>
Adjusters, Investigators, & Collectors	24
Communications Equipment Operators	22
Computer & Peripheral Equipment Operators	9
Financial Records Processing Occupations	139
Information Clerks	183
Mail Clerks and Messengers	7
Postal Clerks and Mail Carriers	31
Mat'l Record., Sched., Dispatch, & Distrib. Occs.	87
Records Processing Occupations, except Financial	29
Secretaries, Stenographers, and Typists	132
Other Clerical and Administrative Support Workers	196

**Exhibit 5.6 (continued)**  
**In-state Employment Impacts by Occupation of Annual New Jersey**  
**Heritage Tourism Spending (\$432 Million)**

<b>OCCUPATION TITLE</b>	<b>Employment</b> <hr/> <b>(jobs)</b>
<b>Service Occupations</b>	<b>3,407</b>
Cleaning & Building Service Occs., except Private	592
Food Preparation and Service Occupations	2,400
Health Service Occupations	27
Personal Service Occupations	203
Protective Service Occupations	71
All Other Service Workers	114
<b>Agric., Forestry, Fishing, &amp; Related Occupations</b>	<b>60</b>
Animal Caretakers, except Farm	1
Farm Occupations	14
Farm Operators and Managers	2
Fishers, Hunters, and Trappers	0
Forestry and Logging Occupations	0
Gardeners & Groundskeepers, except farm	38
Supervisors, Farming, Forestry, & Agricul. Occs.	1
All Other Agric., Forestry, Fishing, & Rel. Workers	3
<b>Precision Production, Craft, &amp; Repair Occupations</b>	<b>416</b>
Blue-collar Worker Supervisors	45
Construction Trades	53
Extractive and Related Workers, Incl. Blasters	2
Mechanics, Installers, and Repairers	228
Production Occupations, Precision	80
Plant and System Occupations	7
<b>Operators, Fabricators, and Laborers</b>	<b>612</b>
Mach. Setters, Set-up Ops, Operators, & Tenders	164
Hand Workers, incl. Assemblers & Fabricators	48
Transp. & Material Moving Machine & Vehicle Ops.	235
Helpers, Laborers, & Material Movers, Hand	165

*Note:* Detail may not sum to totals due to rounding.