

**American Bus Association Foundation**  
**Economic Impact of the Motorcoach Tour and Travel Industry**



**The Motorcoach Tour and Travel Industry Creates Jobs in Pennsylvania**

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

**Economic Impact of Motorcoach Based Travel in Pennsylvania**

	Direct	Supplier	Induced	Total
Jobs (FTE)	20,600	5,400	13,400	39,400
Wages	\$ 717,992,500	\$ 318,963,700	\$ 638,303,200	\$ 1,675,259,400
Economic Impact	\$ 1,570,386,600	\$ 1,008,375,000	\$ 2,136,202,800	\$ 4,714,964,400

**The Motorcoach Industry is a Crucial Part of Pennsylvania's Economy**

- ✓ Companies in Pennsylvania that provide motorcoach services to tourists, travelers and commuters employ as many as 4,360 people in the state. In addition, companies that supply services to motorcoach passengers, such as hotels, restaurants and entertainment venues employ as many as 16,240 additional people in Pennsylvania. [1]
- ✓ These are good jobs, paying an average of \$34,850 in wages and benefits. And today, every job is important. In fact, in Pennsylvania the unemployment rate has reached 8.8 percent. This means that there are already 564,500 people trying to find jobs in the state, and collecting unemployment benefits. [2]

**The Economic Benefit of The Motorcoach Tour and Travel Industry is Felt Throughout the State**

- ✓ Not only does the motorcoach travel industry create good jobs in Pennsylvania, but the industry also contributes to the economy as a whole. In 2009, about 5,400 people worked for firms that supplied goods and services to companies working with motorcoach passengers. These include a wide range of companies from wholesalers, to accountants, to fueling stations. All told, nearly \$4.7 billion in total economic activity in Pennsylvania can be attributed to the motorcoach tour and travel industry.
- ✓ In addition to providing good paying jobs for thousands of workers in Pennsylvania, motorcoaches are the most fuel- and carbon-efficient mode of passenger transportation. Motorcoach travel averages 206 passenger miles per gallon compared to commuter rail at 92, transit bus at 31, personal automobiles at 27 and hybrid cars at 46 passenger miles per gallon.
- ✓ Motorcoach travel also alleviates congestion on local roads, city streets and major arteries by removing cars from travel lanes; adds productivity to the workforce, and reduces pavement wear. In Pennsylvania alone, motorcoach travel saves 1.5 million gallons of fuel, 2.3 million hours of wasted time and \$44.1 million annually. [3]
- ✓ Motorcoaches bring millions of tourists who support local economies, and provide efficient, flexible and cost effective transportation, linking commuters to employment, and airports and rail stations to the surface transportation network. Motorcoaches provide the only form of public intercity transportation to millions of rural residents. This is all accomplished by an industry of small businesses with little to no taxpayer subsidies.

**The State 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 Pennsylvania, the industry and its employees pay over \$288.8 million in taxes including property, income, and sales based levies. [4]

Taxes Generated in Pennsylvania	
	Tax Impact
Federal Taxes	\$ 434,970,824
State Taxes	\$ 288,776,169
<b>Total Taxes</b>	<b>\$ 723,746,992</b>

[1] John Dunham and Associates, New York, July 2009.

[2] The Bureau of Labor Statistics. Available on-line at: [www.bls.gov/lau/home.htm](http://www.bls.gov/lau/home.htm). Data for January 2010.

[3] Schrank, David and Tim Lomax, *Mobility Benefits from Motorcoach Service*, Texas Transportation Institute, December 2009.

[4] op cit, John Dunham and Associates.