



TOURISM  
ECONOMICS

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"TI TA NISISITA AYUDUN SANHIYON  
PARA TA FANMAOLEK GUINI GI  
TANO-TA, TAYA' TA'LO GINAGAGAO-  
SATISFIED WITH WHAT OUR ISLANDS FURNISH US  
NOTHING ELSE.

"MAN METGOT-ÑA HIT KI I TA HON  
YA SIÑA TA APATTA HIT GINEN INI  
TAOTAO HIYONG SIHA YA TA NA' TA  
TATTE I MINAGOF YAN I MINAOLEK  
LINA' LA' -TA."  
WE ARE STRONGER THAN WE THINK! WE MUST RE  
OUR FORMER FREEDOM.

CHIEF PIRAO  
1671

# The Guam Traveler Economy 2021 Results

September 2022

Prepared for: Guam Visitors Bureau





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## INTRODUCTION

# PROJECT BACKGROUND

The travel sector is an integral part of the Guam economy. Visitors generate significant economic benefits to households, businesses, and government alike and represent a critical driver of the territory's future. How important? In 2021, tourism supported jobs accounted for 21% of all jobs in the territory. The share of tourism jobs was 38% in 2019 so job losses also show tourism's importance.

By monitoring the visitor economy, policymakers can inform decisions regarding the funding and prioritization of the sector's development.

They can also carefully monitor its successes and future needs. This is particularly true for Guam as it builds upon its tourism economy. By establishing a timeline of economic impacts, the industry can track its progress.

To quantify the significance of the visitor economy in Guam, Tourism Economics developed a comprehensive model detailing the far-reaching impacts arising from visitor spending. The results of this study show the scope of the visitor economy in terms of direct visitor spending, along with total economic impacts, jobs, and fiscal (tax) impacts in the broader economy.

## METHODOLOGY AND DATA SOURCES

An IMPLAN input-output model was constructed for the territory of Guam. The model traces the flow of visitor-related expenditures through the territory's economy and their effects on employment, wages, and taxes. IMPLAN also quantifies the indirect (supplier) and induced (income) impacts of tourism. Tourism Economics then cross-checked these findings with employment and wage data for each sector to ensure the findings are within reasonable ranges.

Visitors included those who stayed in overnight accommodations or those who came from a distance greater than 50 miles and deviated from their normal routine.

The primary source of the employment and wage data is the Regional Economic Information System (REIS), maintained by the Bureau of Economic Analysis.

The analysis draws on the following data sources:

- GVB/Anthology Research Visitor Exit Surveys: survey data, including spending and visitor profile characteristics for visitors to Guam
- Bureau of Economic Analysis and Bureau of Labor Statistics: employment and wage data, by industry
- STR lodging performance data, including room demand, room rates, occupancy, and room revenue, for hotels and short-term rentals.
- Tax collections: Lodging and GRT receipts
- Government of Guam budget



# ECONOMIC IMPACTS

## KEY FINDINGS

### TRAVELER ECONOMY

The Guam traveler economy encompasses both visitor activity along with spending in support of the tourism industry – from private investment in new buildings and machinery to governmental funding for tourism promotion. Spending by travelers totaled \$88 million in 2021 with investment and government adding around \$40 million for a total travel demand of \$128 million in 2021. The pandemic continued to influence results as limitations on international travel to the US greatly affected the island.

<b>\$88M</b>	<b>+</b>	<b>\$40M</b>	<b>=</b>	<b>\$128M</b>
Spending by Travelers		Spending supporting traveler activity		Direct traveler demand

Note: Numbers may not add up due to rounding

### TOTAL ECONOMIC IMPACT

The direct travel demand in Guam of \$128 million generated a total economic impact (total business sales) of \$306 million on the island in 2021. Total economic impacts include indirect and induced impacts – the spending of the tourism-supported business to support their operations and the spending of worker wages in the economy. This visitor-associated economic activity sustained 12,425 jobs and generated \$57 million in territory tax revenues in 2021.



**\$306 MILLION**

Total Economic Impact of Tourism in Guam in 2021

### SUMMARY ECONOMIC IMPACTS Guam Tourism (2021)



**\$128M**

Direct Traveler Demand



**\$306M**

Total Economic Impact



**12,425**

Total Jobs Generated



**\$57M**

Taxes Generated



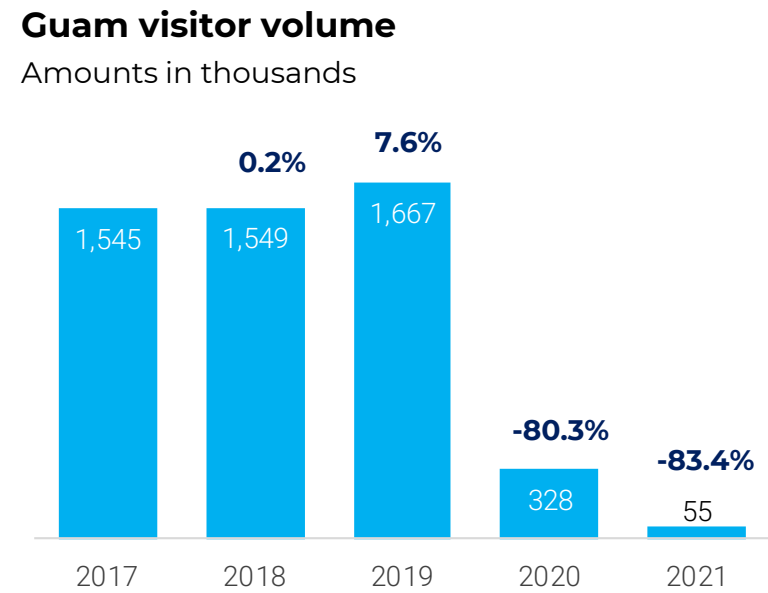
# VISITS

Visitor activity in Guam continued to be significantly affected by the pandemic in 2021. International visitation restrictions were in place for much of the year. That, along with many origin markets dealing with COVID quarantine's and return restrictions, resulted in minimal international visitation. With international visitation limited, the majority of 2021 visitation came from the US.

## VISITOR VOLUME

Visitation fell to 55,000 visitors in 2021 as travel bans, constraints, and consumer comfortability with travel affected travel decisions.

But there were signs of travel's resilience. While visitation in Q4 of 2020 (the first quarter of the fiscal year) fell by 98%, as this period is compared to pre-pandemic times, there was growth in visitor numbers in the spring and summer of 2021. Visitation by month increased from 1,500-2 at the height of the pandemic (summer and fall of 2020) to nearly 13,000 in July of 2021 and 8,700 in August.



Sources: GVB, Tourism Economics

## VISITOR ORIGIN MARKETS

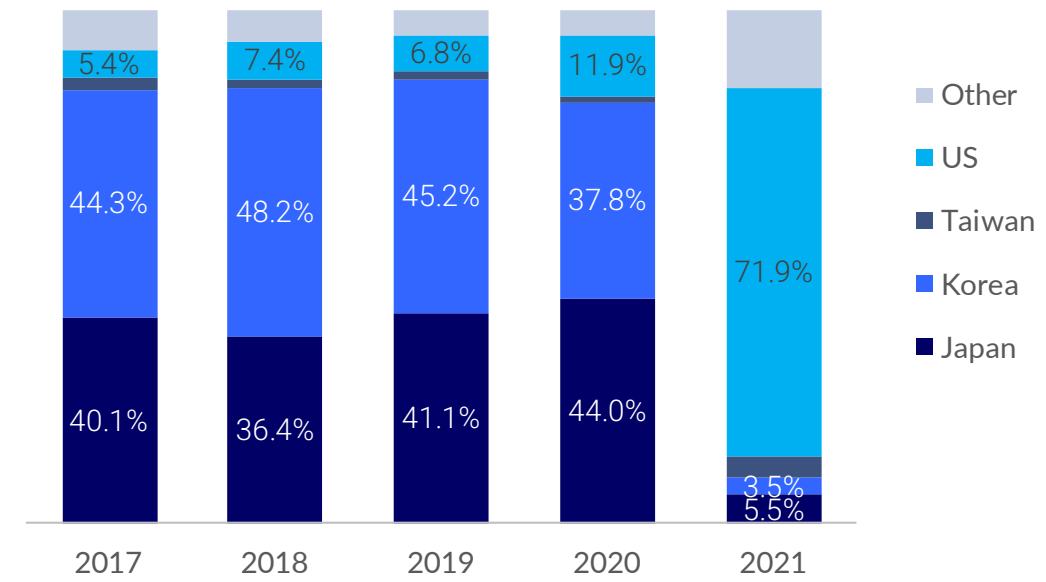
### Big shift in origin markets mid-pandemic

Travel bans existed for the fiscal 2021 period, hindering international travel to Guam. But even with those bans in place, Korean and Japanese visitation, which had fallen to 2% of visitation in early pandemic months, rose to around 10% of overall visitation the third quarter of 2021, the end of the fiscal year. In September, Japanese and Korean visitation reached 16% of total visitation, a post-pandemic high and likely an influence of marketing COVID shots to those markets.

Mainland US visitors were the few with the ability to travel to Guam in 2021. As such, the share of US visitors jumped from 12% in 2020 to 72% of visitors in 2021. This is also likely influenced by the military buildup with contractors or others involved with the buildup helping boost domestic visitation numbers.

### Guam origin markets

With share of visitation for Korea, Japan, and US



Sources: GVB, Tourism Economics





## VISITOR SPENDING

The decline in visitation was the main influence behind lower visitor spending in Guam in 2021. Visitor spending did not fall quite as far as visitation as a longer length of stay created a minor boost to spending totals. With the shift in origin markets and pandemic influences, where the dollar was spent shifted significantly with retail spending experiencing the sharpest changes.

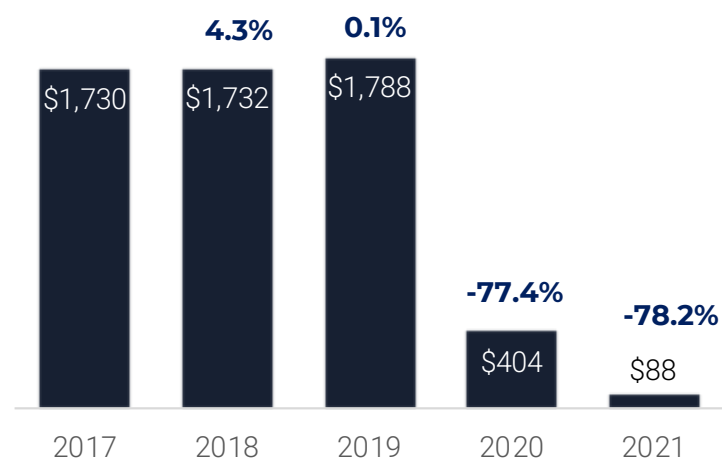
### VISITOR SPENDING

#### Significant drop in 2021

Travel was impacted by visitation restrictions for much of the year in 2021, unlike in 2020 where at least the early part of the year was pre-pandemic. With the continued limits on visitation in place, visitor spending dropped 78%.

#### Guam visitor spending

Amounts in \$ millions



Sources: GVB, Tourism Economics

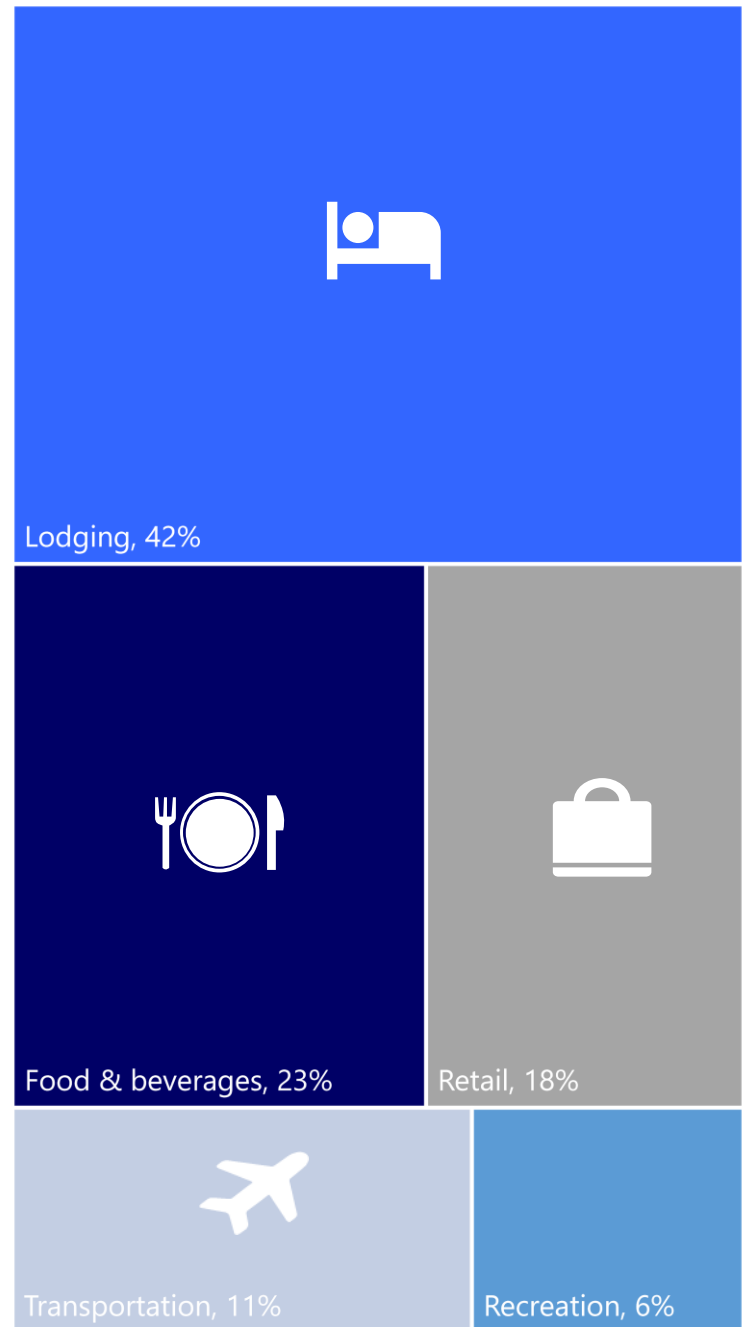
## VISITOR SPENDING

Food & beverage spending rises to 2<sup>nd</sup> largest spending category with retail dropping to 3<sup>rd</sup>.

US visitors dominated visitor activity in 2021, compared to other recent years where Japanese and Korean visitors were the lion's share of visitation. As such, where the visitor was spending shifted significantly towards the US visitor spending profile. The biggest change was noted in the retail category. One key activity for international visitors in Guam is shopping; however, visitation shifted to US visitors, a segment where retail spending is less important. In 2021, retail, as a share of the visitor dollar, was overtaken by visitor spending at bars and restaurants.

One pandemic effect was the continued rise in the share of the visitor dollar spent at hotels. While the overall amount dropped, the pandemic likely limited spending in other areas like recreation. Hotels were one of the few areas open and available to spend at by visitors and lodging captured 42 cents of the average visitor dollar in 2021.

 **\$88 MILLION**  
Total Visitor Spending in 2021



Sources: GVB, Tourism Economics

Note: Lodging spending is calculated as an industry. Spending includes food & beverages as part of package at hotel. Transport includes both air and local transportation.

Note: Numbers may not add up due to rounding 6

## VISITOR SPENDING TRENDS

Visitor spending fell by 78% in 2021 to \$88 million. Spending fell across all sectors, led by declines in retail and recreational spending.

The type of visitor that was able to visit Guam in 2021 was more business-oriented or visiting friends/family. The spending of those visitors leans towards both lodging and restaurant spending, helping moderate those losses.

US visitors are also more likely to rent a car or use other transportation options to get around the island, helping moderate transportation losses in 2021.

### Guam visitor spending and annual growth

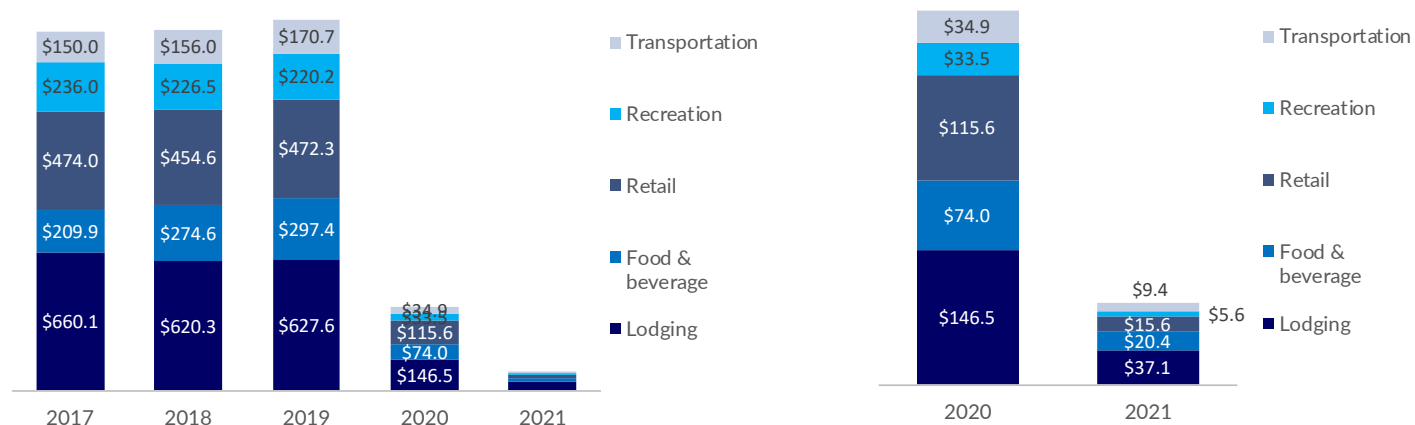
Amounts in \$millions and 2021 % change

	2017	2018	2019	2020	2021	2021 Growth
<b>Total visitor spending</b>	<b>\$1,729.9</b>	<b>\$1,732.0</b>	<b>\$1,788.1</b>	<b>\$404.4</b>	<b>\$88.1</b>	<b>-78.2%</b>
Lodging	\$660.1	\$620.3	\$627.6	\$146.5	\$37.1	-74.7%
Food & beverage	\$209.9	\$274.6	\$297.4	\$74.0	\$20.4	-72.4%
Retail	\$474.0	\$454.6	\$472.3	\$115.6	\$15.6	-86.5%
Recreation	\$236.0	\$226.5	\$220.2	\$33.5	\$5.6	-83.4%
Transportation	\$150.0	\$156.0	\$170.7	\$34.9	\$9.4	-73.0%

Source: Tourism Economics

### Visitor Spending in Guam, 2017-2021

By category, amounts in \$millions



Source: Tourism Economics

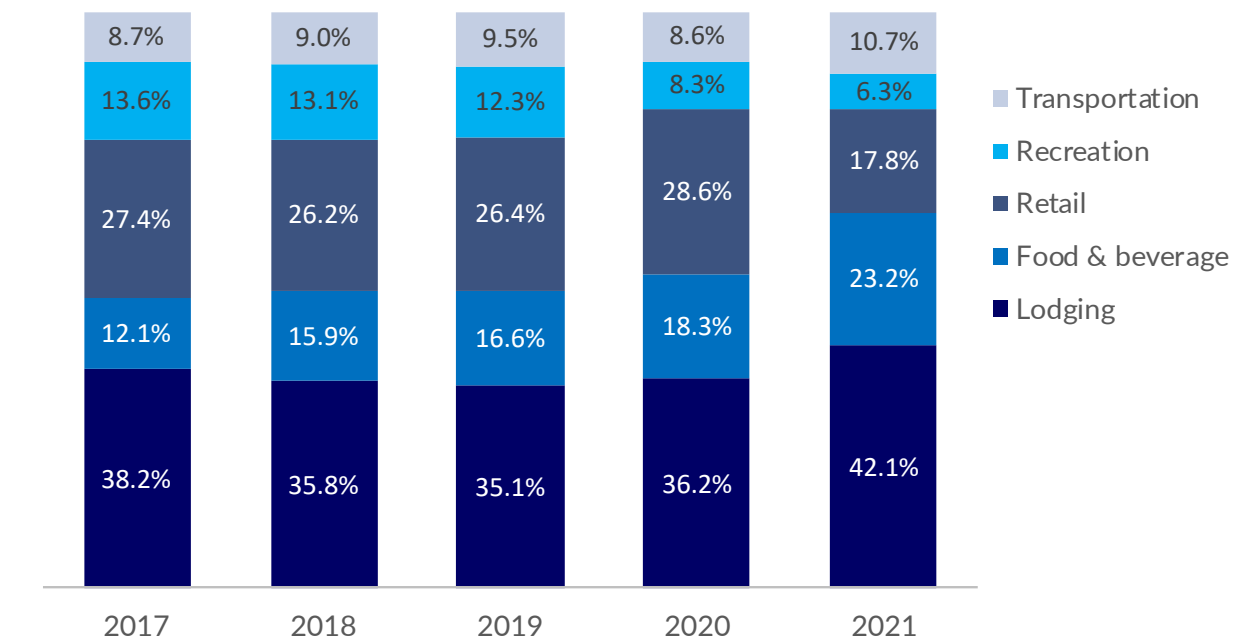
## VISITOR SPENDING DISTRIBUTION - SHARES

Spending shares changed significantly in 2021. While lodging continued to capture a large share of each visitor dollar, the change in visitor origin to Guam in 2021 pushed food & beverage spending to a nearly five-point gain. Retail's share, supported in better times by international visitors, dropped more than ten percentage points to below 18% in 2021.

The share spent on recreational activities in Guam continued to decline in 2021. A combination of type of visitor – leaning more towards business and visiting friends/family – along with pandemic restrictions on local businesses were reasons for the continued decline in 2021.

### Visitor Spending Shares in Guam, 2017-2021

By category, %



Source: Tourism Economics

## VISITOR ECONOMY TRENDS

The visitor economy looks at a broader range of tourism-related expenditures. These include government support for tourism as well as capital investment (both new structures and machinery and equipment spending).

Overall, traveler demand reached \$128 million in 2021 with domestic spending – defined as US visitors – dominating, bringing in \$59 million towards overall traveler demand. Domestic visitor spending was one bright spot in 2021, growing more than 40%. International visitor spending dropped below \$30 million in 2021.

### Tourism Capital Investment

Amounts in \$thousands

	2017	2018	2019	2020	2021
<b>Total Tourism CAPEX</b>	<b>\$54,845</b>	<b>\$60,718</b>	<b>\$70,376</b>	<b>\$40,104</b>	<b>\$18,889</b>
Machinery & equip.	\$31,272	\$31,688	\$32,617	\$7,241	\$1,771
Construction	\$23,573	\$29,029	\$37,760	\$32,863	\$17,118

## VISITOR ECONOMY DISTRIBUTION

In Guam, the domestic market share jumped from below 10% to over 45% in 2021.

International visitor markets provided 23% of demand in 2021.

Capital investment in tourism-related construction and machinery & equipment represented 15% of all tourism-related demand.

The governmental support share was 35% of all Guam tourism demand in 2021.

## Guam tourism demand

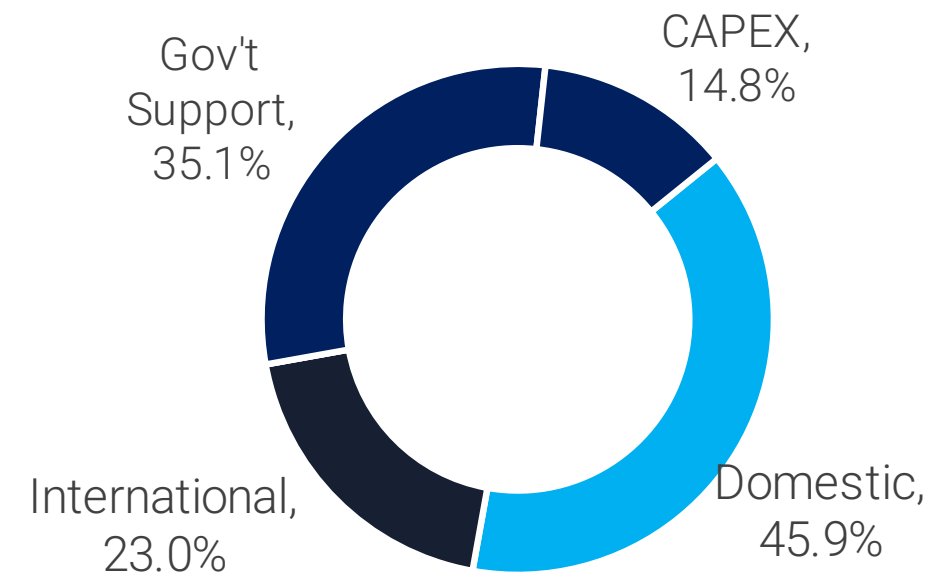
Amounts in \$millions and 2021 % change

	2017	2018	2019	2020	2021	2021 Growth
<b>Tourism Demand</b>	<b>\$1,826.1</b>	<b>\$1,835.6</b>	<b>\$1,902.3</b>	<b>\$489.4</b>	<b>\$128.0</b>	<b>-73.8%</b>
Domestic Visitor	\$78.5	\$114.7	\$107.4	\$41.5	\$58.7	41.6%
International Visitor	\$1,651.4	\$1,617.2	\$1,680.8	\$362.9	\$29.4	-91.9%
Governmental Support	\$41.3	\$42.9	\$43.8	\$44.9	\$21.0	-53.2%
Capital Investment	\$54.8	\$60.7	\$70.4	\$40.1	\$18.9	-52.9%

Source: Tourism Economics

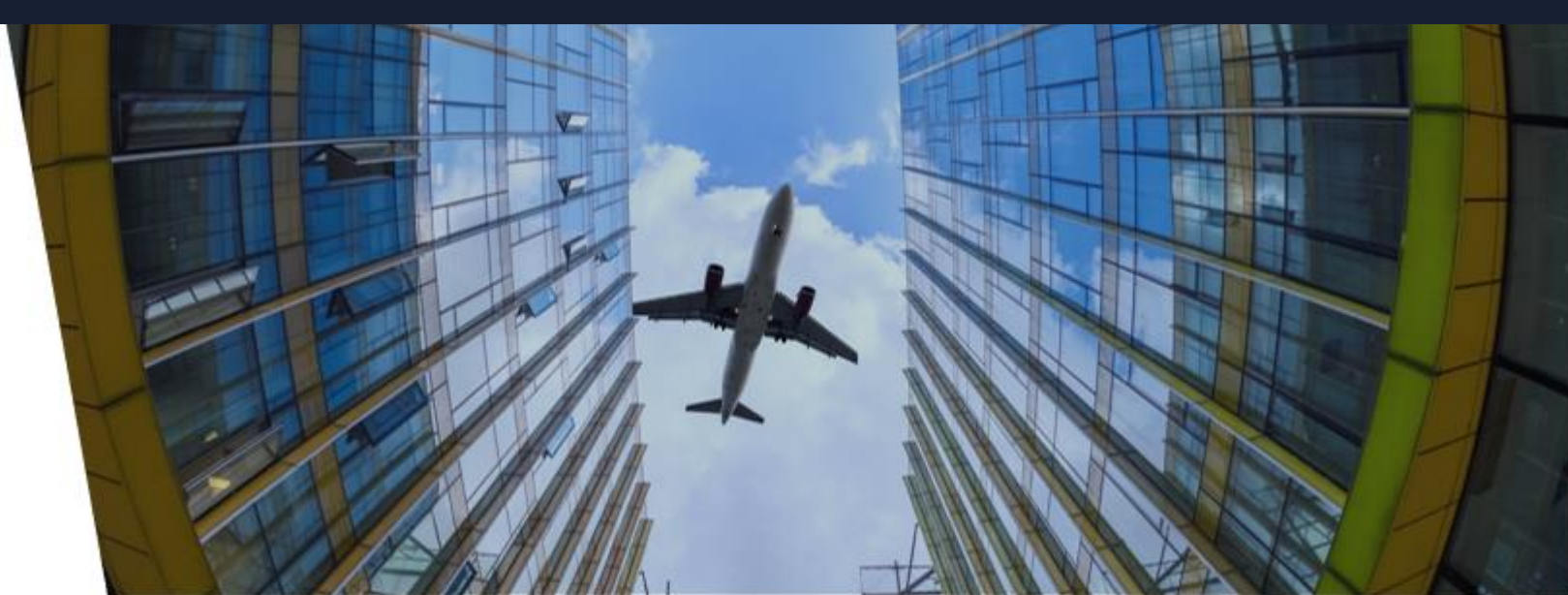
## Guam tourism demand

Percent distribution



Source: Tourism Economics





## ECONOMIC IMPACT METHODOLOGY

Our analysis of the Guam visitor economy begins with direct traveler-related demand and analyzes the downstream effects of this spending on the broader economy. To determine total economic impact, we input direct spending into a model of the Guam economy, constructed using an IMPLAN input-output (I-O) model. The model traces the full extent of industry impacts as dollars flow through the local economy.

An I-O model represents a profile of an economy by measuring the relationships among industries and consumers and quantifies three levels of impact:

- 1. Direct impacts:** Visitor spending creates direct economic value within a discrete group of sectors (such as recreation and transportation). This supports a relative proportion of spending, jobs, wages, and taxes within each sector.
- 2. Indirect impacts:** Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called indirect impacts or supply-chain effects.
- 3. Induced impacts:** Lastly, the induced impact is generated when employees whose wages are generated either directly or indirectly by visitor spending spend those wages in the local economy. This is called the induced impact or income effect.

The Tourism Economics model calculates these three levels of impact - direct, indirect and induced - for a broad set of indicators, including:

- Spending
- Wages
- Employment
- Federal Taxes
- State Taxes
- Local Taxes

## ECONOMIC IMPACT FRAMEWORK

### DIRECT IMPACTS

Guam tourism's contribution measured visitor spending



RETAIL



REC/ENTERTAINMENT



FOOD & BEVERAGE



TRANSPORTATION



LODGING

### INDIRECT IMPACTS

Purchases of inputs from suppliers  
Suppliers' own supply chains



SUPPLY  
CHAIN  
EFFECTS



B2B GOODS &  
SERVICES  
PURCHASED

### INDUCED IMPACTS

Consumer spending out of  
employees' wages:



INCOME  
EFFECT



HOUSEHOLD  
CONSUMPTION

### TOTAL IMPACTS

Direct, indirect, and  
induced impacts



SALES



GDP



JOBS



INCOME



TAXES





# ECONOMIC IMPACT FINDINGS

## BUSINESS SALES IMPACTS

Travel-related spending of \$128 million supported another \$180 million in business sales from indirect and induced impacts, creating a total impact of \$306 million in sales for businesses in Guam.

With many tourism businesses still needing to purchase services, finance, insurance and real estate industry saw the largest spending from visitor activity, nearly \$60 million and moving from the third largest industry in business sales to the largest in 2021.

Lodging businesses saw \$38 million in business sales with retail shops another \$31 million, comprising the three largest industries seeing business sales from visitors in Guam.

### Summary Economic impacts (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics

Note: Numbers may not add up due to rounding

## Business sales impacts by industry (2021)

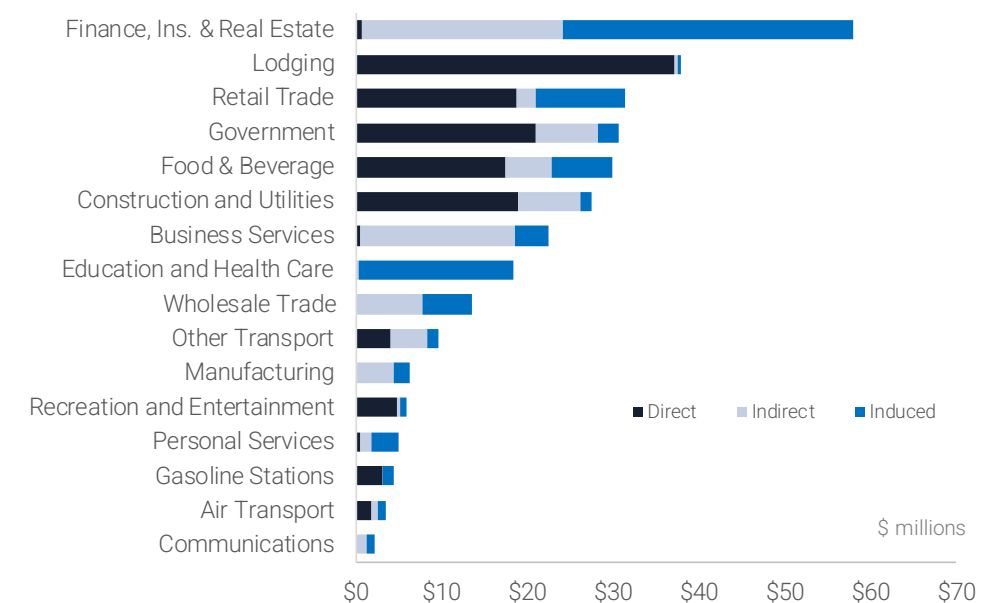
Amounts in millions of nominal dollars

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
<b>Total, all industries</b>	<b>\$128</b>	<b>\$85</b>	<b>\$94</b>	<b>\$306</b>
Finance, Ins. & Real Estate	\$ 1	\$23	\$34	\$58
Lodging	\$ 37	\$ 0	\$ 0	\$38
Retail Trade	\$ 19	\$ 2	\$11	\$31
Government	\$ 21	\$ 7	\$ 2	\$31
Food & Beverage	\$ 17	\$ 5	\$ 7	\$30
Construction and Utilities	\$ 19	\$ 7	\$ 1	\$27
Business Services	\$ 0	\$18	\$ 4	\$22
Education and Health Care	-	\$ 0	\$18	\$18
Wholesale Trade	-	\$ 8	\$ 6	\$14
Other Transport	\$ 4	\$ 4	\$ 1	\$10
Manufacturing	-	\$ 4	\$ 2	\$ 6
Recreation and Entertainment	\$ 5	\$ 0	\$ 1	\$ 6
Personal Services	\$ 0	\$ 1	\$ 3	\$ 5
Gasoline Stations	\$ 3	\$ 0	\$ 1	\$ 4
Air Transport	\$ 2	\$ 1	\$ 1	\$ 3
Communications	-	\$ 1	\$ 1	\$ 2
Agriculture, Fishing, Mining	-	\$ 0	\$ 0	\$ 0

Source: Tourism Economics

## Visitor economy business sales impacts by industry (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics

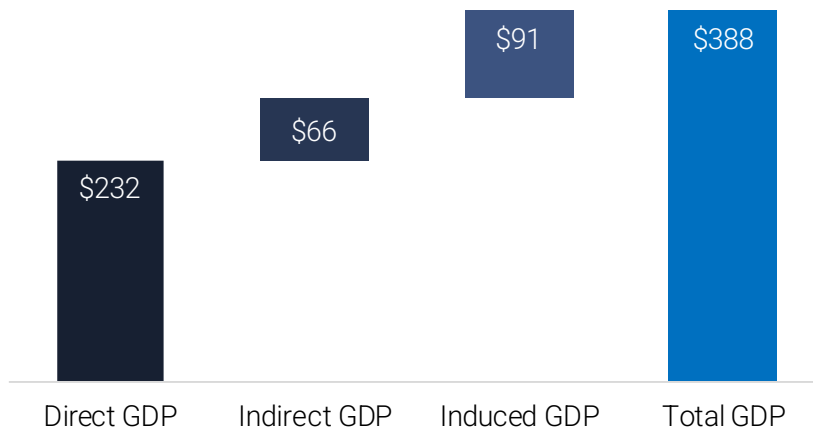


## VALUE ADDED IMPACTS

The value of all visitor-supported goods & services produced in Guam in 2021 for Guam visitors was \$388 million.

### Summary value-added impacts (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics

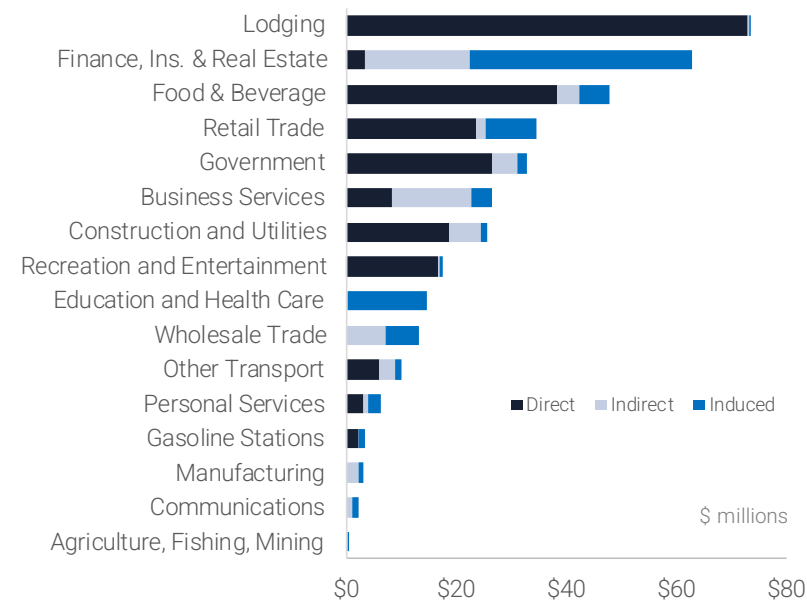
Note: Numbers may not add up due to rounding

The locally produced portion of visitor-supported sales in the lodging industry added \$74 million to Guam GDP. Much of this was from wages paid to hotel workers.

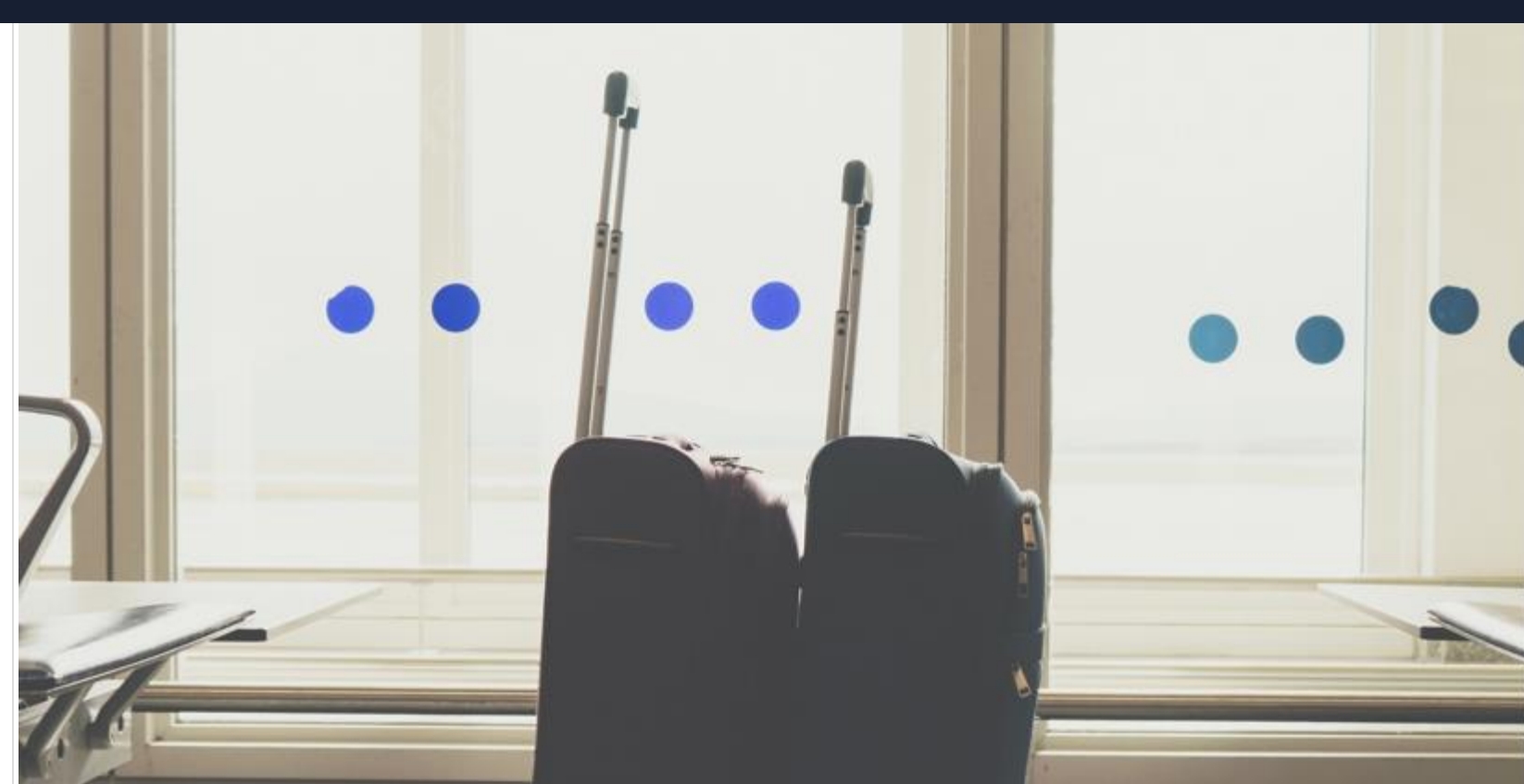
Spending by travel demand-supported business and workers supported \$13 million in GDP contribution in the wholesale trade industry, showing how tourism activity supports businesses across the industrial spectrum.

### Visitor value-added impacts by Industry (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics

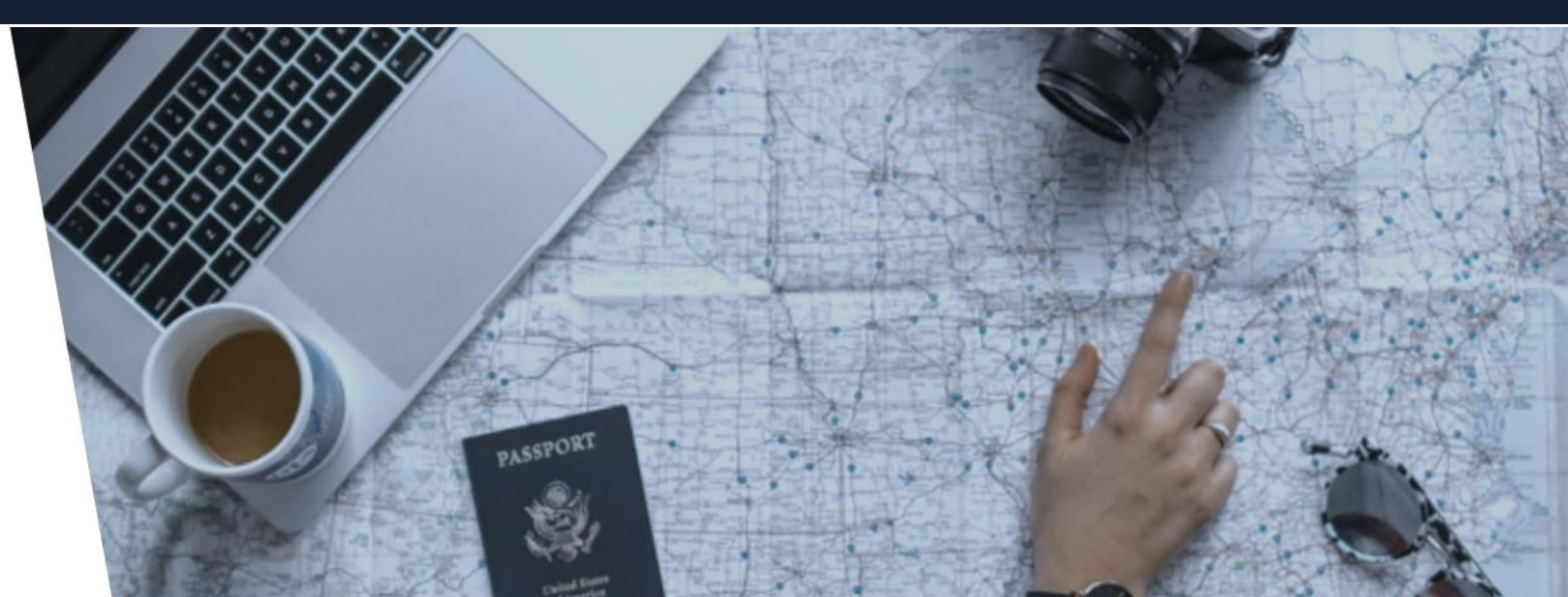


### Summary value-added impacts by industry (2021)

Amounts in millions of nominal dollars

	Direct GDP	Indirect GDP	Induced GDP	Total GDP
<b>Total, all industries</b>	<b>\$ 232</b>	<b>\$ 66</b>	<b>\$ 91</b>	<b>\$ 388</b>
Lodging	\$ 73	\$ 0	\$ 0	\$ 74
Finance, Ins. & Real Estate	\$ 3	\$ 19	\$ 41	\$ 63
Food & Beverage	\$ 38	\$ 4	\$ 5	\$ 48
Retail Trade	\$ 23	\$ 2	\$ 9	\$ 34
Government	\$ 26	\$ 5	\$ 2	\$ 33
Business Services	\$ 8	\$ 14	\$ 4	\$ 26
Construction and Utilities	\$ 19	\$ 6	\$ 1	\$ 25
Recreation and Entertainment	\$ 17	\$ 0	\$ 1	\$ 17
Air Transport	\$ 13	\$ 1	\$ 1	\$ 15
Education and Health Care	-	\$ 0	\$ 14	\$ 15
Wholesale Trade	-	\$ 7	\$ 6	\$ 13
Other Transport	\$ 6	\$ 3	\$ 1	\$ 10
Personal Services	\$ 3	\$ 1	\$ 2	\$ 6
Gasoline Stations	\$ 2	\$ 0	\$ 1	\$ 3
Manufacturing	-	\$ 2	\$ 1	\$ 3
Communications	-	\$ 1	\$ 1	\$ 2
Agriculture, Fishing, Mining	-	\$ 0	\$ 0	\$ 0

Source: Tourism Economics



## ECONOMIC IMPACT FINDINGS

### EMPLOYMENT - IMPACTS

Employment directly supported by visitor activity fell 23% in 2021 to 8,426 jobs. The number of jobs fell by nearly 2,500 in 2021 with the total direct job losses from the pandemic reaching over 8,600 (compared to 2019 job levels).

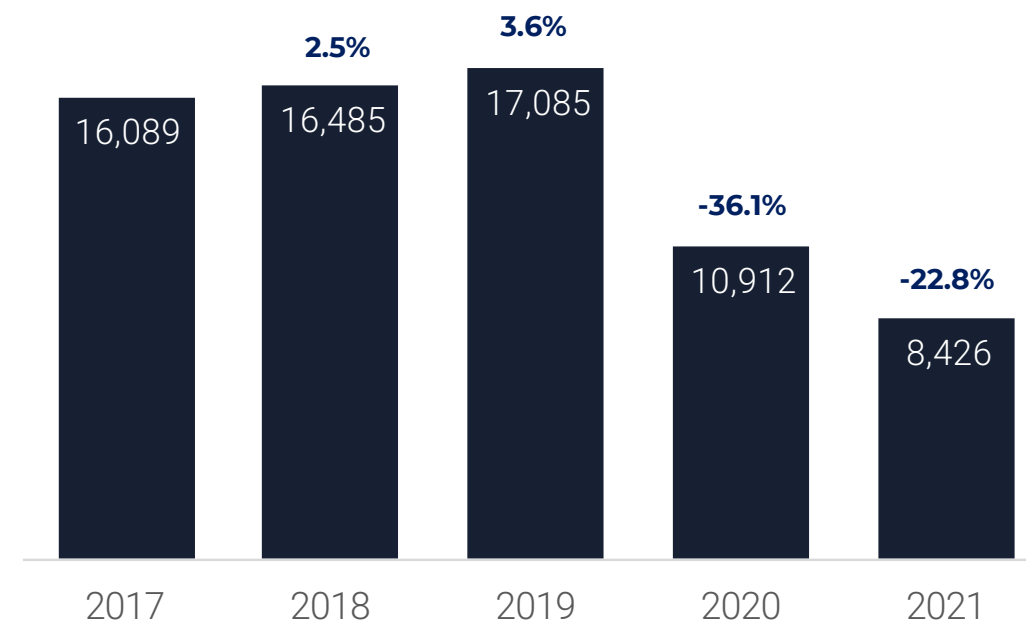
These jobs are ones that directly serve the visitors at businesses like hotels, restaurants, retailers, recreational/entertainment entities, and transportation companies. These jobs do not include those tourism related jobs in government and construction.

The evaluation of the direct impact of visitor activity allows for comparisons and rankings against other industries.

Employment directly supported by visitors registered 8,426 in 2021. Comparing employment levels, were direct visitor-supported employment to be ranked against other industries, tourism would rank 3<sup>rd</sup> in the territory. This is down from 2<sup>nd</sup> in 2020 and tourism being the largest employment industry prior to the pandemic.

### Employment supported by travel spending in Guam

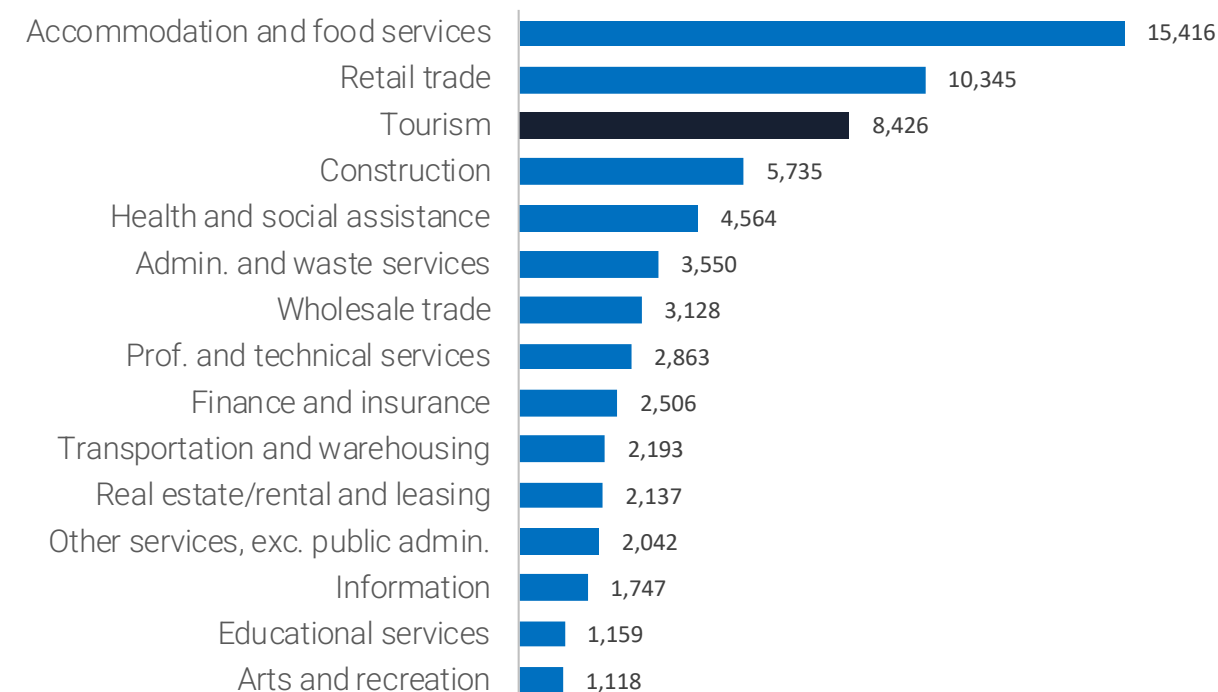
Total impact, amounts in number of jobs



Source: Tourism Economics

### Employment in Guam, by major industry

Amounts in number of jobs, direct jobs for Tourism



Source: Tourism Economics

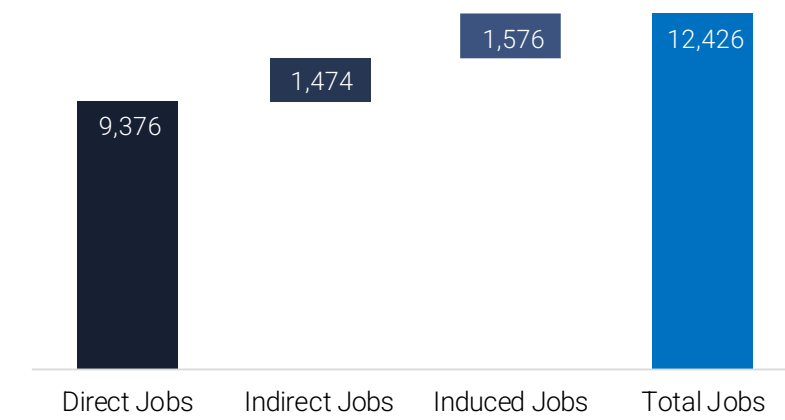


## EMPLOYMENT – TOTAL IMPACTS

Guam travel demand directly supported nearly 9,400 jobs and a total of 12,400 jobs in 2021 when indirect and induced impacts are included. The total jobs impact supported 21% of all jobs in Guam in 2021, one of every 5 jobs in the territory. This is down from 38% of Guam jobs in 2019.

### Summary employment impacts (2021)

Amounts in number of jobs

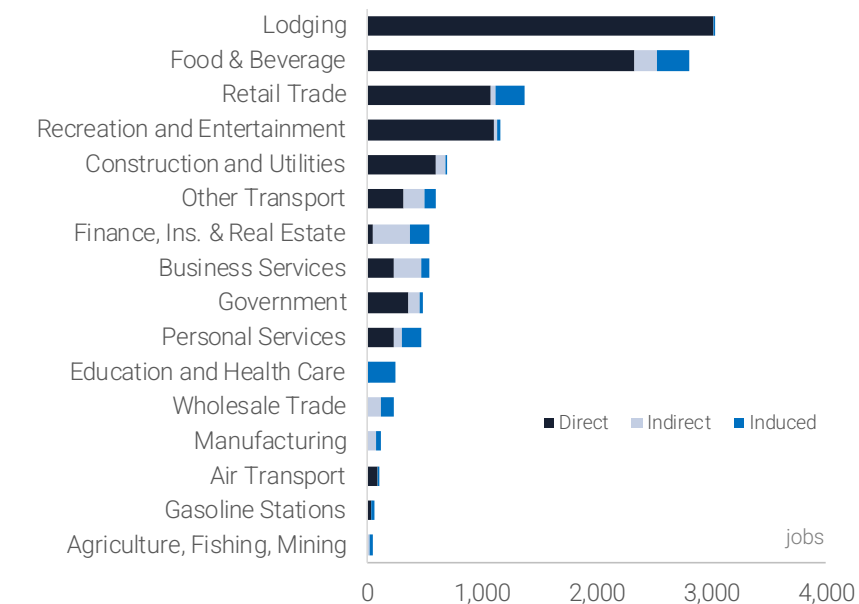


Source: Tourism Economics

Job losses moderated in 2021 as hotels and restaurants needed to hold on to employees to maintain buildings and infrastructure. But with the majority of jobs supported by visitor activity coming from the direct impact of visitors, overall losses have still surpassed 10,000 jobs.

### Visitor job Impacts by industry (2021)

Amounts in number of jobs



Source: Tourism Economics



### Summary employment Impacts by industry (2021)

Amounts in number of jobs

Industry	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
<b>Total, all industries</b>	<b>9,376</b>	<b>1,474</b>	<b>1,576</b>	<b>12,426</b>
Lodging	3,011	9	15	3,035
Food & Beverage	2,327	199	274	2,800
Retail Trade	1,070	37	254	1,361
Recreation and Entertainment	1,103	18	41	1,162
Construction and Utilities	596	82	9	687
Other Transport	308	191	94	593
Finance, Ins. & Real Estate	48	316	173	537
Business Services	220	244	66	530
Government	354	95	33	482
Personal Services	228	74	160	462
Education and Health Care	-	7	233	240
Wholesale Trade	-	113	119	232
Manufacturing	-	67	40	107
Air Transport	78	4	7	89
Gasoline Stations	31	1	20	53
Agriculture, Fishing, Mining	-	9	29	38
Communications	-	10	8	18

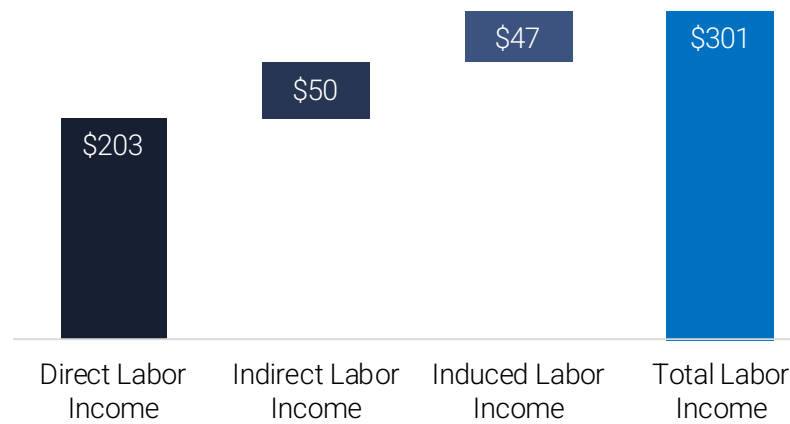
Source: Tourism Economics

## LABOR INCOME IMPACTS

Traveler activity generated \$203 million in direct labor income and a total of \$301 million when including indirect and induced impacts. The total income earned by workers has dropped by more than half since 2019, with pre-pandemic income levels of over \$675 million. This a loss of \$375 million in income to Guam workers.

### Summary labor income impacts (2021)

Amounts in millions of nominal dollars

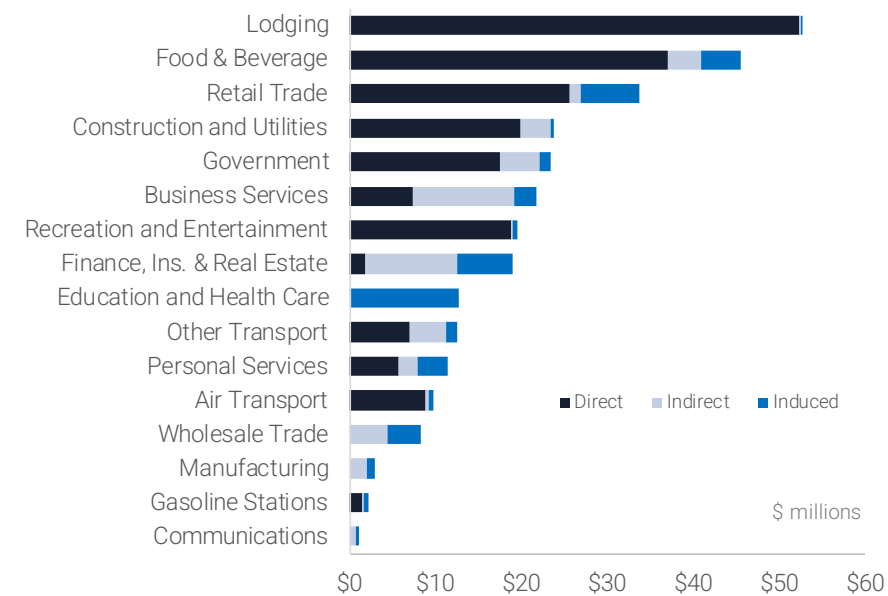


Source: Tourism Economics

Needing to hold on to employees to maintain structures, income earned by lodging workers provided more than \$50 million to those households.

### Visitor labor income Impacts by industry (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics



### Summary labor income impacts (2021)

Amounts in millions of nominal dollars

	Direct Labor Income	Indirect Labor Income	Induced Labor Income	Total Labor Income
<b>Total, all industries</b>	<b>\$203</b>	<b>\$50</b>	<b>\$47</b>	<b>\$301</b>
Lodging	\$ 52	\$ 0	\$ 0	\$ 53
Food & Beverage	\$ 37	\$ 4	\$ 5	\$ 46
Retail Trade	\$ 26	\$ 1	\$ 7	\$ 34
Construction and Utilities	\$ 20	\$ 3	\$ 0	\$ 24
Government	\$ 18	\$ 4	\$ 1	\$ 23
Business Services	\$ 7	\$ 12	\$ 3	\$ 22
Recreation and Entertainment	\$ 19	\$ 0	\$ 1	\$ 20
Finance, Ins. & Real Estate	\$ 2	\$ 11	\$ 7	\$ 19
Education and Health Care	-	\$ 0	\$ 13	\$ 13
Other Transport	\$ 7	\$ 4	\$ 1	\$ 13
Personal Services	\$ 6	\$ 2	\$ 4	\$ 11
Air Transport	\$ 9	\$ 0	\$ 1	\$ 10
Wholesale Trade	-	\$ 4	\$ 4	\$ 8
Manufacturing	-	\$ 2	\$ 1	\$ 3
Gasoline Stations	\$ 1	\$ 0	\$ 1	\$ 2
Communications	-	\$ 1	\$ 0	\$ 1
Agriculture, Fishing, Mining	-	\$ 0	\$ 0	\$ 0

Source: Tourism Economics



# ECONOMIC IMPACT FINDINGS

## FISCAL (TAX) IMPACTS

Visitor spending, visitor supported jobs, and business sales generated \$57 million in government revenues, losses of \$60 million compared to 2020. Total tax losses from the pandemic have now reached \$182 million.

Each household in Guam would need to be taxed an additional \$1,100 to replace the traveler taxes received by Guam territory and local governments in 2021. This has dropped from \$4,630 in 2019.

### Fiscal (tax) impacts

Amounts in millions of nominal dollars

	2019	2020	2021
<b>Total Tax Revenues</b>	<b>\$238.6</b>	<b>\$116.0</b>	<b>\$56.8</b>
Personal Income	\$11.7	\$6.8	\$3.9
Corporate	\$16.6	\$5.7	\$2.2
Indirect Business	\$21.8	\$13.4	\$6.5
Social Insurance	\$72.8	\$42.0	\$24.3
Hotel Occupancy	\$45.1	\$28.4	\$12.9
Gross Receipts	\$58.8	\$17.6	\$6.7
Special Revenues	\$11.8	\$2.2	\$0.4

Source: Tourism Economics





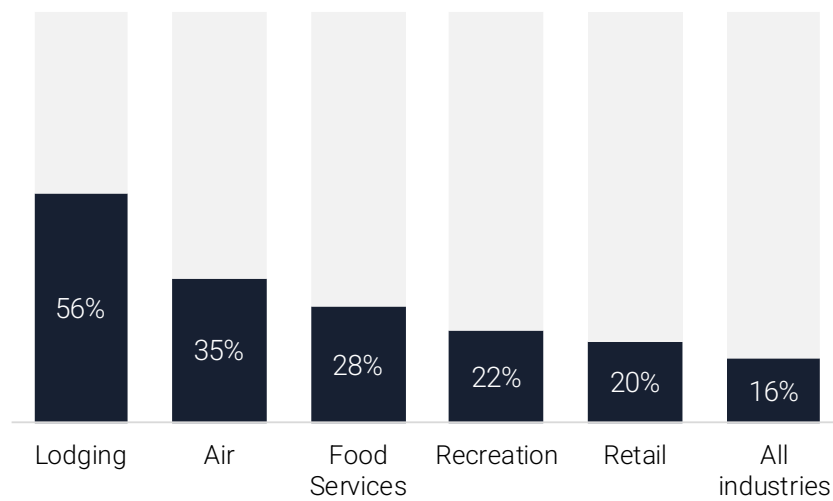
# ECONOMIC IMPACTS IN CONTEXT

Visitor activity supports a significant share of employment in several industries with just over half of lodging employment traveler-related. In other key industries, visitor activity supports 35% of all air employment, 28% of restaurant employees, and 22% of jobs in recreational industries.

Overall, direct traveler-related jobs accounted for 16% of all jobs in Guam in 2021.

## Visitor employment intensity

Direct jobs, visitor-supported share of industry employment



Source: BEA, BLS, Tourism Economics

# ECONOMIC IMPACTS IN CONTEXT



## \$88M VISITOR SPENDING

The \$88 million in visitor spending is similar to the spending of Taiwanese visitors pre-pandemic – and Taiwan visitors were about 2% of visitation.



## \$316M VISITOR SPENDING LOSSES

The \$316 million in lost business sales generated is about three years of payroll in the restaurant industry – PRE-pandemic.



## 12,426 JOBS

The total number of jobs sustained by tourism, including indirect and induced benefits, accounts for 21% of all jobs in Guam.



## \$57M TERRITORIAL TAXES

Each household in Guam would need to be taxed an additional \$1,100 to replace the visitor taxes received by the state and local governments in 2021.



# APPENDIX

## Glossary – Spending Definitions

Term	Description
<b>Lodging</b>	Includes visitor spending in the accommodation sub-sector. This includes food and other services provided by hotels, rentals and similar establishments.
<b>Food and beverage</b>	Includes all visitor spending on food & beverages, including at restaurants, bars, grocery stores and other food providers.
<b>Recreation/ Entertainment</b>	Includes visitor spending within the arts, entertainment and recreation sub-sector.
<b>Shopping</b>	Includes visitor spending in all retail sub-sectors within the local economy.
<b>Local transport</b>	Includes visitor spending on local transport services such as taxis, limos, trains, rental cars, buses, and the local share of air transportation spending.
<b>Second homes</b>	Where applicable, spending associated with the upkeep of seasonal second homes for recreational use as defined by the Census Bureau.
<b>Total Tourism Demand</b>	Includes all visitor spending plus other spending streams in support of the traveler industry. This includes government spending and capital investment in support of travel.

## Glossary – Economic Impact Definitions

Term	Description
<b>Direct Impact</b>	Impacts (business sales, jobs, income, and taxes) created directly from spending by visitors to a destination within a discreet group of tourism-related sectors (e.g. rec./entmt., trans., lodging).
<b>Indirect Impact</b>	Impacts created from purchase of goods and services used as inputs (e.g. food wholesalers, utilities, business services) into production by the directly affected tourism-related sectors (i.e. economic effects stemming from business-to-business purchases in the supply chain).
<b>Induced Impact</b>	Impacts created from spending in the local economy by employees whose wages are generated either directly or indirectly by visitor spending.
<b>Total Impact</b>	Direct + Indirect + Induced impacts. Total business sales impact commonly referred to as total economic impact.
<b>Employment</b>	Jobs directly and indirectly supported by visitor activity (includes part-time and seasonal work). One job is defined as one person working at least one hour per week for fifty weeks during the calendar year.
<b>Labor income</b>	Income (wages, salaries, proprietor income and benefits) supported by visitor spending.
<b>Value Added (GDP)</b>	The economic enhancement a company gives its products or services before offering them to customers.
<b>Local Taxes</b>	City and County taxes generated by visitor spending. This includes any local sales, income, bed, usage fees, licenses and other revenues streams of local governmental authorities – from transportation to sanitation to general government.
<b>State Taxes</b>	State tax revenues generated by visitor spending. This will include sales, income, corporate, usage fees and other assessments of state governments.

# ABOUT TOURISM ECONOMICS

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, London, Frankfurt, Ontario, and Sydney.

Oxford Economics is one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC, we employ over 400 full-time staff, including 300 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

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