

CHAPTER FIVE

Economic Impacts from Florida Historical Museums

INTRODUCTION AND SUMMARY

The Florida Association of Museums reports the following information for 2001.

| | Historical | All Museums |
|-------------------------|-------------------|--------------------|
| Number of Museums | 183 | 356 |
| Staffing | 1,610 | 4,703 |
| Total Operating Budgets | \$67,835,646 | \$204,380,983 |
| Visitors | 9,778,248 | 22,890,006 |

This chapter summarizes the \$68 million expenditure by Florida historical museums into total economic effects. We subtract from the \$68 million outlay, estimated expenditures for museum capital improvements and visitor-supported revenues as there have already been counted in previous chapters (chapter three—rehabilitation and chapter four—heritage tourism). That leaves a net of an *estimated* \$58 million dollars, which has the following effects.

EXHIBIT 5.1 **Annual Total Economic Impacts** **of the Florida Historic Museums Net Spending[†] (\$58 Million)**

| | In Florida | Total (U.S.) |
|--|-------------------|---------------------|
| Jobs (person years) | 1,989 | 3,588 |
| Income | \$54 million | \$98 million |
| GDP/GSP | \$86 million | \$143 million |
| Total Taxes | \$19 million | \$31 million |
| Federal | \$10 million | \$17 million |
| State/Local | \$9 million | \$14 million |
| In-State Wealth (GSP Minus Federal Taxes) | \$78 million | — |

GDP/GSP=Gross domestic product/Gross state product

[†] Net of outlays for capital purposes and visitor-supported revenues

More detailed impacts are shown in exhibit 5.2 and 5.3. For example, of the \$86 million of Florida gross state product generated by the historical museums, \$29 million benefits the services sector and \$23 million benefits the finance, insurance, and real-estate sector.

EXHIBIT 5.2
National Economic and Tax Impacts of
Annual Florida Historic Museum Operations (\$58 Million)

| | Economic Component | | |
|---|------------------------------|---------------------------|---|
| | Employment (jobs) | Income (\$000) | Gross Domestic Product (\$000) |
| I. TOTAL EFFECTS (Direct and Indirect/Induced)* | | | |
| Private | | | |
| 1. Agriculture | 31 | 454.6 | 1,655.3 |
| 2. Agri. Serv., Forestry, & Fish | 23 | 373.3 | 388.5 |
| 3. Mining | 15 | 317.3 | 1,381.3 |
| 4. Construction | 86 | 4,102.0 | 5,334.6 |
| 5. Manufacturing | 329 | 10,750.8 | 16,655.3 |
| 6. Transport. & Public Utilities | 133 | 5,166.3 | 11,075.0 |
| 7. Wholesale | 91 | 3,737.3 | 6,547.7 |
| 8. Retail Trade | 410 | 6,571.4 | 10,709.0 |
| 9. Finance, Ins., & Real Estate | 317 | 11,500.9 | 30,131.2 |
| 10. Services | 2,130 | 54,535.8 | 58,414.2 |
| Private Subtotal | 3,565 | 97,509.6 | 142,292.1 |
| Public | | | |
| 11. Government | 23 | 746.5 | 732.0 |
| Total Effects (Private and Public) | 3,588 | 98,256.1 | 143,024.1 |
| II. DISTRIBUTION OF EFFECTS/MULTIPLIER | | | |
| 1. Direct Effects | 1,712 | 43,446.3 | 44,554.1 |
| 2. Indirect and Induced Effects | 1,876 | 54,809.8 | 98,470.0 |
| 3. Total Effects | 3,588 | 98,256.1 | 143,024.1 |
| 4. Multipliers (3/1) | 2.096 | 2.262 | 3.210 |
| III. COMPOSITION OF GROSS STATE PRODUCT | | | |
| 1. Wages—Net of Taxes | | | 91,430.8 |
| 2. Taxes | | | |
| a. Local/State | | | 14,305.8 |
| b. Federal | | | |
| General | | | 9,180.4 |
| Insurance Trusts | | | 7,444.3 |
| Federal Subtotal | | | 16,624.6 |
| c. Total taxes (2a+2b) | | | 30,930.4 |
| 3. Profits, dividends, rents, and other | | | 20,662.8 |
| 4. Total Gross State Product (1+2+3) | | | 143,024.1 |
| EFFECTS PER MILLION DOLLARS OF INITIAL EXPENDITURE | | | |
| Employment (Jobs) | | | 61.4 |
| Income | | | 1,694,115 |
| Local/State Taxes | | | 246,652 |
| Gross State Product | | | 2,465,933 |

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

*Terms:

Direct Effect (State)—the proportion of direct spending on goods and services produced.

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.

EXHIBIT 5.3
In-state Economic and Tax Impacts of
Annual Florida Historic Museum Operations (\$58 Million)

| | Economic Component | | |
|---|------------------------------|---------------------------|---|
| | Employment (jobs) | Income (\$000) | Gross Domestic Product (\$000) |
| I. TOTAL EFFECTS (Direct and Indirect/Induced)* | | | |
| Private | | | |
| 1. Agriculture | 2 | 74.2 | 244.2 |
| 2. Agri. Serv., Forestry, & Fish | 9 | 113.5 | 114.4 |
| 3. Mining | 0 | 103.6 | 224.7 |
| 4. Construction | 43 | 2,076.7 | 2,789.7 |
| 5. Manufacturing | 220 | 7,278.3 | 10,794.5 |
| 6. Transport. & Public Utilities | 87 | 3,360.2 | 6,630.2 |
| 7. Wholesale | 63 | 2,511.0 | 4,764.9 |
| 8. Retail Trade | 343 | 5,172.4 | 9,040.1 |
| 9. Finance, Ins., & Real Estate | 227 | 7,661.4 | 22,984.8 |
| 10. Services | 986 | 25,184.6 | 28,286.7 |
| Private Subtotal | 1,980 | 53,535.9 | 85,874.1 |
| Public | | | |
| 11. Government | 9 | 321.2 | 317.1 |
| Total Effects (Private and Public) | 1,989 | 53,857.0 | 86,191.2 |
| II. DISTRIBUTION OF EFFECTS/MULTIPLIER | | | |
| 1. Direct Effects | 817 | 20,838.5 | 21,943.3 |
| 2. Indirect and Induced Effects | 1,172 | 33,018.5 | 64,247.9 |
| 3. Total Effects | 1,989 | 53,857.0 | 86,191.2 |
| 4. Multipliers (3/1) | 2.435 | 2.584 | 3.928 |
| III. COMPOSITION OF GROSS STATE PRODUCT | | | |
| 1. Wages—Net of Taxes | | | 71,976.0 |
| 2. Taxes | | | |
| a. Local/State | | | 8,991.9 |
| b. Federal | | | |
| General | | | 5,734.5 |
| Insurance Trusts | | | 4,668.9 |
| Federal Subtotal | | | 10,403.4 |
| c. Total taxes (2a+2b) | | | 19,395.4 |
| 3. Profits, dividends, rents, and other | | | -5,180.2 |
| 4. Total Gross State Product (1+2+3) | | | 86,191.2 |
| EFFECTS PER MILLION DOLLARS OF INITIAL EXPENDITURE | | | |
| Employment (Jobs) | | | 34.3 |
| Income | | | 928,593 |
| Local/State Taxes | | | 155,038 |
| Gross State Product | | | 1,486,093 |

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

*Terms:

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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.

