

Tourism Drives Economic Growth Across Oregon

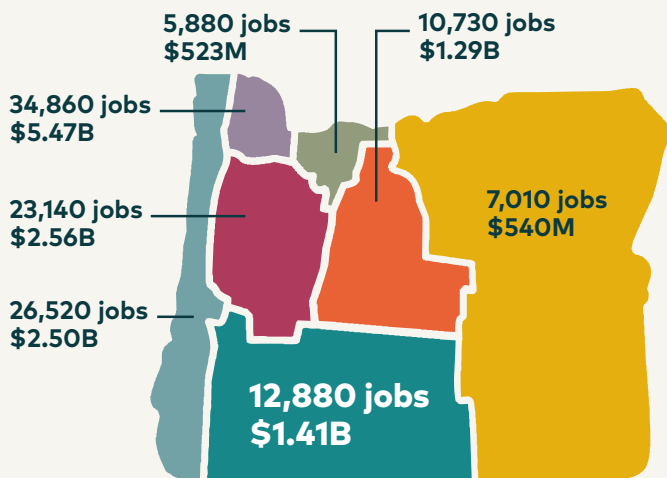
SOUTHERN
OREGON

Joey Hamilton

TOURISM SPURS OREGON'S ECONOMY

In 2003, Oregon faced one of its highest unemployment rates in history. As part of a statewide initiative to create new job opportunities for Oregonians, the legislature made tourism and hospitality a pillar of Oregon's economy by creating Travel Oregon and, with support from lodging operators, establishing a statewide lodging tax. This tax dedicated revenue into tourism development and marketing for all of Oregon, and as the economy grew, 30% of the state lodging tax became focused on direct community investment via regional tourism organizations and grant programs.

This industry investment has delivered results. Over the past two decades, Oregon has seen consistent annual growth in jobs, visitor spending and related tax revenue that outpaces inflation. **Travel spending across Oregon has more than doubled** since 2003, and the **tax revenue generated by that spending has nearly tripled**. This economic activity has **created more than 35,000 new jobs** since 2003, providing meaningful opportunities in every corner of the state.



\$14.3 BILLION IN DIRECT TRAVEL SPENDING SUPPORTS 121,000 JOBS AND GENERATES \$691 MILLION IN STATE AND LOCAL TAX REVENUE ACROSS OREGON

Source: Dean Runyan Associates Economic Impact of Travel Study 2024

TOURISM CREATES CAREERS

Nationally, the travel and tourism industry provides more first jobs than any other industry, and the skills learned in these roles make a difference. Tourism jobs are also often small business jobs connected to the communities they serve across Oregon. The travel and tourism industry is the nation's top small business employer, and 17% of early career tourism employees go on to own their own business. National studies have also shown visitation and exposure to destination marketing can improve impressions of communities as places to start and relocate businesses, meaning that tourism also serves a cycle of small business development in several unique ways.

Sources: US Travel Association, Oregon Employment Department

TOURISM STEWARDS OREGON'S FUTURE

As tourism organizations across the state bring increased focus to stewardship efforts, care is taken to align economic, social and environmental opportunities for today and well into the future:

- In 2025, 40 Oregon communities worked together to achieve the nation's first statewide "Destination Verified" status with trusted accessibility travel platform Wheel the World, ensuring disabled visitors and Oregonians alike can explore detailed listings and receive tailored recommendations based on their specific needs.
- Tourism organizations bring marketing and outreach expertise through partnerships with other state and federal agencies, non-profits and businesses to address broad community challenges such as responsible recreation, wildfire safety or congestion management efforts at well-loved destinations.
- The tourism industry strives to align tactics with broader state economic development efforts to ensure future prosperity in Oregon, whether that is aligning global sales and marketing work with international flight expansions at PDX or connecting local hospitality and agriculture leaders with renown journalists, recognizing Oregon as a world-class culinary destination.

ECONOMIC IMPACT OF TOURISM IN SOUTHERN OREGON 2024

Direct Travel Spending	\$1.4 billion
Jobs	12,880
Employee Earnings	\$429 million
State & Local Tax Revenue*	\$59 million
Overnight Stays	13.3 million

* State and local taxes include income taxes, gas taxes, rental car taxes and transient lodging taxes
Source: Dean Runyan Associates

- Local Southern Oregon tax receipts generated by tourists in 2024 accounted for \$39 million in state revenue, and \$20 million in local taxes—representing more than \$291 per local household in the region.
- For every \$100 spent by visitors in the region, \$32 goes directly back to locals in employee earnings.

TOURISM BOLSTERS COMMUNITIES

More than 120 cities and counties across Oregon—including 14 in Southern Oregon—collect a local transient lodging tax that is distinct from the statewide tax to expend on local programming. A statewide study conducted by ECONorthwest in 2018 found that cities and counties that levied a local transient lodging tax spent the plurality of the revenue on general services. Other major categories of local investment include tourism facilities such as meeting spaces and sports fields; tourism promotion and marketing through organizations such as Travel Ashland or Visit Grants Pass; arts, culture and entertainment and local events.

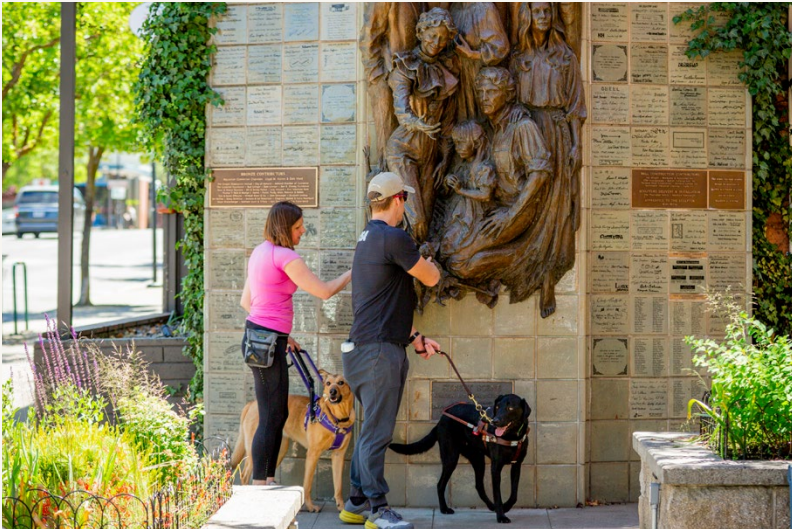
In line with statute, 20% of state transient lodging taxes are directed to seven regional tourism organizations, with Travel Southern Oregon serving the Southern Oregon region, for community responsive tourism development and promotion. Local transient tax dollars, especially those expended on tourism facilities and promotional programs, can be leveraged against regional and state tourism expenditures to attract and steward visitors in individual communities. This increase in visitors, in turn, increases resources for arts and culture, infrastructure and public services—directly benefiting Oregonians in those communities.

TOURISM DOLLARS AT WORK IN SOUTHERN OREGON

Many tourism organizations, including Travel Oregon, Travel Southern Oregon and Travel Medford invest millions of dollars in community initiatives through grant programs, strategic investment funds or direct sponsorship. In recent years, these investments have been critical contributors to local projects such as:

- Establishing and promoting the Oregon Outback, the world's largest dark sky sanctuary; capitalizing on astro-tourism trends; bringing new opportunities to a rural economy and protecting habitat and species traveling along the pacific flyway.
- Investing in sports tourism through funding and promoting Rogue X, a new tournament-level basketball, volleyball and swimming facility that will continue to enhance Medford's offerings to locals and traveling teams alike.
- Enhancing outdoor recreation offerings through investments such as the new accessible shuttle from downtown Ashland to Mt. Ashland during ski season to ensure winter recreators of all abilities and backgrounds can enjoy skiing. And, the development of a new mountain bike trail at Warner Canyon Ski Hill in Lake County to activate rural recreation throughout the year.
- Supporting community recovery through funding and creating a strategic tourism destination plan for Talent as the local business community continues to build back and seek new opportunities after the 2020 fires.

A visit to the Oregon Shakespeare Festival was part of the Wheel The World "Destination Verified" assessment in Southern Oregon.



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Learn more at industry.traveloregon.com



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