Mystic Seaport
Economic Contribution from Continuing Operations

by

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EXECUTIVE SUMMARY

This is an analysis of the economic contribution of the Mystic Seaport Museum to the State of Connecticut. The study focuses on continuing operations at current levels.

Specifically, the study considers the change in economic activity—gross state product, disposable income, final sales, tax receipts, employment, etc.—resulting from the continuing operations of the museum.

A summary of the results are given in the panels given on the next three pages.

We believe that the 50% case represents the most likely case for a variety of reasons.

• In 1993, 81% of Mystic Seaport visitors came from outside Connecticut (U.S. 73% and foreign 8%), 19% came from Connecticut.

• The 1993 State of Connecticut survey of Connecticut Guide respondents reports that 69% of visitors are headed to Southeastern Connecticut.

• Mystic Coast and Country research indicates that 79% of respondents to their toll-free access number are coming to visit the Mystic Seaport, as compared with 59% coming to the Aquarium and 34% coming to the Casino.

If approximately 70-80% of those coming to the state are intending to visit the Mystic Seaport, how many would come if the Mystic Seaport were not in operation? 20-30%? The remaining percentage, 50% thus represents our most likely case, with other cases at less than 50% included to demonstrate the sensitivity of the analysis.
Mystic Seaport
Annual Economic Contribution
to the State
50% New Tourist Case
(all figures are current dollars)

• 1,252 Jobs (Total)

• 1,234 Jobs in the Private Sector, involving $36.5 million in wages and salaries

• $34.5 million in Disposable Income

• $6.60 in Per Capita Disposable Income

• $53.9 million in Gross State Product, $2.30 for every $1.00 in budget expense

• $17.0 million in Private Fixed Investment
Mystic Seaport
Annual Economic Contribution
to the State
33% New Tourist Case
(all figures are current dollars)

• 1080 Jobs (Total)

• 1065 Jobs in the Private Sector, involving $31.6 million in wages and salaries

• $29.8 million in Disposable Income

• $5.70 in Per Capita Disposable Income

• $46.4 million in Gross State Product, $2.00 for every $1.00 in budget expense

• $14.6 million in Private Fixed Investment
Mystic Seaport
Annual Economic Contribution to the State
25% New Tourist Case
(all figures are current dollars)

- 995 Jobs (Total)
- 980 Jobs in the Private Sector, involving $29.1 million in wages and salaries
- $27.4 million in Disposable Income
- $5.30 in Per Capita Disposable Income
- $42.7 million in Gross State Product, $1.80 for every $1.00 in budget expense
- $13.5 million in Private Fixed Investment
Mystic Seaport
Annual Economic Contribution
to the State
10% New Tourist Case
(all figures are current dollars)

- 840 Jobs (Total)
- 828 Jobs in the Private Sector, involving $24.6 million in wages and salaries
- $23.2 million in Disposable Income
- $4.50 in Per Capita Disposable Income
- $35.9 million in Gross State Product, $1.50 for every $1.00 in budget expense
- $11.3 million in Private Fixed Investment
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This study estimates the economic contribution of the ongoing operations of the Mystic Seaport Museum to the state of Connecticut. This is somewhat different than measuring the historical contribution of the Museum to the state. Special capital projects, for example, that may have occurred in past years may have provided significant economic stimulus above and beyond the level of continuing contribution. We do not estimate this historical impact.

An historical impact study would require detailed historical records of all Mystic Seaport activity, and detailed sectoral economic information for the state that is likely not available. In any case, such a study would require extensive staffing, time, and money, with the results being necessarily open to criticism on many points.

Specifically, this study considers the change in economic activity—gross state product, disposable income, final sales, tax receipts, employment, etc.—resulting from the continuing expenditures and attendance represented in the financial statements and marketing studies provided by the Mystic Seaport Museum.
In 1992, with funding from the Connecticut Department of Economic Development (DED), the Department of Economics at the University of Connecticut acquired a microcomputer-based econometric model of the Connecticut economy from Regional Economic Models, Inc. (REMI). A Massachusetts-based firm with historical ties to the University of Massachusetts, REMI has developed an expertise in regional econometric modeling, and is a leading supplier and developer of such models. Following the acquisition of the model, the Department of Economics at the University began the formal process to create the Connecticut Center for Economic Analysis (CCEA).

In 1993, the CCEA, with funding again from DED and private sources, acquired another economic model from REMI that breaks out Hartford and Fairfield Counties, allowing each county to be studied in isolation or combined with the rest of the state.

The REMI models include all of the major inter-industry linkages among 466 private industries, aggregated into some 49 major industrial sectors. With the addition of farming and three public sectors (state & local government, civilian federal government, and military), there is a total of 53 sectors represented in the models.

At the root of the models are the results of extensive modeling efforts at the U.S. Department of Commerce (DoC). The DoC has developed, and continues to develop, an input-output model (or I/O model) for the United States. Modern input-output models, largely the result of the path-breaking research by Nobel laureate Wassily Leontief, focus on the inter-relationships between industries, and provide micro-level detail regarding factor markets (including the labor market), intermediate goods production, as well as final goods production and consumption. Conceptually, the model is constructed in the form of a table, a kind of cross-reference, in which each cell summarizes the sales-purchase relation between industries or sectors.

An example may help to make clear the value of this structure. Suppose that one cell changes; wages for labor rise in one specific sector. The labor cell in that sector would change. Then the change would flow through the table, affecting inputs and outputs in other industries along the chain of production. At the same time, businesses might substitute capital machinery (automation) or other inputs that appear more cost effective as a result of the change, offsetting to some extent the rising cost of labor. Workers may attempt to shift their employment to the sector with the higher wages. That is, all of the elements of the model, just like the economy it represents, are related to all other elements of the model.

The REMI Connecticut model takes the U. S. I/O “table” results and scales them according to traditional regional relationships and current conditions, allowing the relationships to adapt at reasonable rates to changing conditions. Additionally:

- Consumption is determined on an industry-by-industry basis, from real disposable income in Keynesian fashion.

- Wage income is related to sector employment factored by regional differences.

- Property income depends only on population and its distribution, adjusted for traditional regional differences, not on market conditions or building rates relative to business activity.
• Estimates of transfer payments depend upon unemployment details of the previous period. Moreover, government expenditures are proportional to the size of the population.

• Federal military and civilian employment is exogenous and maintained at a fixed share of the corresponding total U.S. values, unless specifically altered in the analysis.

• Migration into and out of the state is estimated based upon relative wages and the “amenities” of life in Connecticut versus other states.

• “Imports” and “exports” from other states are related to relative pricing and production costs in Connecticut versus elsewhere.

Depending on the analysis being performed, the nature of the chain of events cascading through the model (economy) can be as informative for the policymaker as the final aggregate results. Because the model generates such extensive sectoral detail, it is possible for experienced economists in this field to discern the dominant causal linkages involved in the result.

In the sections that follow, the final aggregate results are discussed and important causal linkages highlighted. The model output summary tables for the cases examined are included as an appendix.
**Methodology and Assumptions**

We estimate the continuing economic contribution of the Mystic Seaport Historical Museum and related operations to the state of Connecticut for all meaningful cases against a control forecast (the "constant base"). The control forecast is based upon the 1991 state I/O tables derived from the national table maintained by the U.S. Department of Commerce, a November 1993 macroeconomic forecast from the University of Michigan’s RSQE, and specific adjustments based upon historical data and planned employment changes in Connecticut as provided to us by the Connecticut Department of Labor.

The economic contribution is considered in terms of changes in economic activity in the entire state.

All inputs were taken from marketing studies and financial statements provided by the Mystic Seaport Museum. The basic expenditures of out-of-state tourists were allocated to five sectors. These sectors were:

(a) lodging (38),
(b) food service (35),
(c) parking (41),
(d) souvenirs/shopping (36-other retail sales), and
(e) admission fees (48-museums, etc.).

The data came from the survey that Mystic Seaport provided CCEA. We assumed each travel unit averaged 2 people. The number of travel units represented by out-of-state tourist at the Mystic Seaport was multiplied by each category's survey expenditure and then deflated it to constant 87 dollars.

The operation of the Seaman's Inn was treated as actual output and allocated to sector 35 (eating and drinking places). The total expenditures of the Inn were deflated to constant 87 dollars.

The operational expenditures for the museum with the exception of the library and publications were treated as output in sector 48 (museums, etc). These expenditures were deflated to 87 dollars. The item “Expenses of Auxiliary Operations” represents the Mystic Seaport Store. This expenditure was treated as “other retail sales” and allocated to sector 36. Again this item was deflated to 87 dollars.

The library and publication expenditures were handled by appropriate translators. The output of the library was assigned to translator 201 (libraries, etc.), and was entered in constant 87 dollars. The publication component of the Mystic Seaport's activities was assigned to translator 135 (periodicals). Expenditures were treated as output and were entered in constant 87 dollars.

We assumed that 50% of in-state tourists had substituted the Mystic Seaport for out-of-state activities. The number of in-state tourists was entered as tourist translator 405, which is day trips. Moreover, we assumed that no one in Connecticut was more than a day's drive from Mystic Seaport.

We should note that there is some overlap of the sectors represented by the output of the Mystic Seaport, Seaman's Inn and the expenditures of out-of-state tourists. In entering the appro-
appropriate figures for each run, all of the output of the Mystic Seaport and the Inn were entered and the appropriate share of the tourist expenditure for the case being studied were allocated by sector. A total of five output variables (635, 636, 638, 641 and 648), three translator variables (135, 201 and 405) and one switch variable (906) were used for each run.

Four cases are considered, differing only in the proportion of the tourist expenditure that comes from tourists new to the state:

**Case 1**: 50% of the Admissions are Net New Tourist Expenditures. (Most Likely Case)

**Case 2**: 33% of the Admissions are Net New Tourist Expenditures.

**Case 3**: 25% of the Admissions are Net New Tourist Expenditures.

**Case 4**: 10% of the Admissions are Net New Tourist Expenditures.

In each case, we examine the changes in important economic variables from the control forecast.
The direct employment associated with the Mystic Seaport operation is only one way that the Mystic Seaport contributes to the state economy. A more important source of economic benefit deriving from the Mystic Seaport is the volume of new expenditures that it attracts to the state. Visitors to the Mystic Seaport that spend dollars that would have been spent in the state anyway may contribute to the county or regional economy, but add nothing to the state economy. Mystic Seaport expenditures are simply a substitute for other expenditure. New expenditures, from Connecticut residents that would have spent their dollars outside the state if the Mystic Seaport had not been available, or tourists from other state who would not have come to Connecticut were it not for the Mystic Seaport, elevate the level of state economic activity. Therefore, critical to our estimates of the economic contribution to the state is the proportion of the admissions that represent a capture of new tourist dollars within the state.

To summarize, there are three potential sources of revenue to the Mystic Seaport Museum:

- Tourists who do not increase their total expenditures in Connecticut, but choose to go to the Mystic Seaport while reducing their expenditures elsewhere in the state.
- Tourists from outside the state who lengthen their stay in Connecticut, attracted by the Mystic Seaport attraction.
- Tourists who are Connecticut residents who opt to go to the Mystic Seaport rather attend attractions outside the state.

The last two sources of admissions at the Mystic Seaport Museum represent net new tourist expenditures in the state, rather than a substitution of the Mystic Seaport experience for other state expenditures. Such expenditures are new direct economic activity, and the stimulus for derivative economic activity.

In this first case, we assume that 50% of the attendance resulting from the Mystic Seaport expansion are from these latter two sources, and represent net new tourists to the state. Based upon our discussions with the Connecticut Department of Economic Development’s Tourism Department and studies for which they contracted, we believe this to be the most likely distribution of expenditure sources.

Under this assumption, the Mystic Seaport Museum and Seaman’s Inn increases economic activity in the state, as measured by (nominal) gross state product, by $53.9 million per year. Given that the annual expenditures of the Mystic Seaport are about $23.6 million, this yields a multiplier of 2.3. That is, for every dollar that Mystic Seaport pays in expenses, it generates $2.30 in gross state product.

As shown in Figures 1 and 2, the stimulated activity is diverse, and almost entirely in the private sector. Consumer spending accounts for roughly one-half of the increased activity, whereas business expansion and residential housing (investment) makes up roughly one-third of the activity. Net exports, exports from the state (to other states or countries) less imports into the state, make up most of the remainder. The large, positive, net exports amounts to an injection of activity from outside the state.
The $26.6 million of consumer activity created by the Mystic Seaport Museum is not sectorally localized, but is distributed over many industries. As shown in Figure 2, while the sales of food, beverages, and other nondurables, commonly associated with tourism activities, make up approximately 21% of sales to consumers, expenditures related to households and their operations make up another 31%. Household expenditures are related to the 1,250 jobs that the Mystic Seaport directly or indirectly creates. The Mystic Seaport operation also generates a population increase of roughly 350 per year.

These expenditures and population growth have provided opportunities for business, and incentives for business expansion. This is evidenced by the employment increases and by total investment of $17.0 million. The distribution of investment is provided in Figure 3, below. Approximately $5.2 million is associated with housing, with the remainder directly associated with business expansion.
The population growth stimulated by the Mystic Seaport, and the taxes paid by these new residents, have caused an expansion of state and local government services amounting to over $900,000 per year, as shown below in Figure 4. Most of the expansion is in education.
Of the 1,250 jobs induced by the Mystic Seaport, 26 are in manufacturing, while 1,208 are in nonmanufacturing areas and 18 are government. As shown in Figure 5, most of the jobs created are in retail trade (485) and services (585); construction (49) employment is spurred by the housing sales described above and in Figure 3.

![Figure 4. Distribution of Government Spending. (50% Case)](image)

In summary, the Mystic Seaport Museum contributes widely to the Connecticut economy. Specifically:

- In nominal terms it adds about $34.5 million per year to total personal disposable income (after-tax income).

- The Mystic Seaport generates $2.30 in economic activity for every $1.00 it incurs in expenses. (Multiplier of 2.3)
- Even though the museum has not-for-profit tax-exempt status, its activities result in the collection of almost $7.5 million in taxes each year at all levels of government.

- The Mystic Seaport attracts hundreds of thousands of tourists each year.

- The Mystic Seaport contributes to the expansion of the population, adding about 350 new residents each year.

- The Mystic Seaport puts about 1,250 people to work.
CASE 2: 33% OF ADMISSIONS ARE NET NEW TOURISTS

In this second case, we assume:

- 33% of the tourists coming from outside the state lengthen their stay in Connecticut because of the Mystic Seaport experience; and
- 50% of the tourists are Connecticut residents and opt to go to the Mystic Seaport rather than attend attractions outside the state.

Such expenditures represent net new expenditures to the state. Based upon our discussions with the Connecticut Department of Economic Development’s Tourism Department and studies for which they contracted, we believe this to be a relatively less optimistic distribution of expenditure sources.

Under this assumption, the Mystic Seaport Museum increases economic activity in the state, as measured by nominal gross state product, by $46.4 million per year. Given that the annual expenditures of the Mystic Seaport and Seaman’s Inn are about $23.6 million, this yields a multiplier of 2.0. That is, for every dollar that Mystic Seaport pays in expenses, it generates $2.00 in gross state product.

As shown in Figures 6 and 7, the stimulated activity is diverse, and almost entirely in the private sector. Consumer spending accounts for roughly one-half of the increased activity, whereas business expansion and residential housing (investment) makes up one-third of the activity. Net exports, exports from the state (to other states or countries) less imports into the state, make up most of the remainder. The large, positive, net exports amounts to an injection of activity from outside the state.

Figure 6. Contribution to Real Gross State Product. (33% Case)
The $18.0 million of consumer activity created by the Mystic Seaport Museum is not sectorally localized, but is distributed over many industries. As shown in Figure 7, while the sales of food, beverages, and other nondurables, commonly associated with tourism activities, makes up approximately 25% of sales to consumers, expenditures related to households and their operations make up another 26%. These consumer expenditures are the driving force behind the 1,080 jobs that the Mystic Seaport directly or indirectly creates. The Mystic Seaport operation also generates a population increase of roughly 300 per year.

These expenditures and population growth have provided opportunities for business, and incentives for business expansion. This is evidenced by the employment increases and by total real investment of $14.6 million. The distribution of investment is provided in Figure 8, below. Approximately $4.5 million is associated with housing, with the remainder directly associated with business expansion.
The population growth stimulated by the Mystic Seaport Museum, and the taxes paid by these new residents, have caused an expansion of state and local government services amounting to about $800,000 per year, as shown below in Figure 9. Most of the expansion is in education.

Of the 1,080 jobs created by the Mystic Seaport, 23 are in manufacturing, while 1,042 are in nonmanufacturing areas and 16 are government. As shown in Figure 10, most of the jobs created are in retail trade (418) and services (505); construction (43) employment is spurred by the housing sales described above and in Figure 8.
Figure 10. Distribution of Non Manufacturing Jobs. (33% Case)

In summary, the Mystic Seaport Museum contributes widely to the Connecticut economy. Specifically:

- In nominal terms it adds about $29.8 million per year to total personal disposable income (after-tax income).

- The Mystic Seaport generates $2.00 in gross state product (statewide economic activity) for each $1.00 in expenses it incurs. (Multiplier of 2.0)

- Even though the museum has not-for-profit tax-exempt status, its activities result in the collection of about $6.5 million in taxes each year at all levels of government.

- The Mystic Seaport attracts hundreds of thousands of tourists each year.

- The Mystic Seaport contributes to the expansion of the population, adding about 300 new residents each year.

The Mystic Seaport puts about 1,080 people to work.
CASE 3: 25% OF ADMISSIONS ARE NET NEW TOURISTS

In this case, we assume that 25% of the out-of-state attendance at the Mystic Seaport represent net new tourists to the state. Based upon our discussions with the Connecticut Department of Economic Development’s Tourism Department and studies for which they contracted, we believe this to be an overly conservative estimate of the distribution of expenditure sources.

Under this assumption, the Mystic Seaport Museum increases economic activity in the state, as measured by nominal gross state product, by $42.7 million per year. Given that the annual expenditures of the Mystic Seaport and Seaman’s Inn are about $23.6 million, this yields a multiplier of 1.8. That is, for every dollar that Mystic Seaport pays in expenses, it generates $1.80 in gross state product.

As shown in Figures 11 and 12, the stimulated activity is diverse, and almost entirely in the private sector. Consumer spending accounts for roughly one-half of the increased activity, whereas business expansion and residential housing (investment) makes up roughly one-third of the activity. Net exports, exports from the state (to other states or countries) less imports into the state, make up most of the remainder. The large, positive, net exports amounts to an injection of activity from outside the state.

![Figure 11. Contribution to Real Gross State Product. (25% Case)](image-url)
The $21.2 million of consumer activity created by the Mystic Seaport Museum is not sectorally localized, but is distributed over many industries. As shown in Figure 12, while the sales of food, beverages, and other nondurables, commonly associated with tourism activities, make up approximately 25% of sales to consumers, expenditures related to households and their operations make up another 26%. Household expenditures are related to the 995 jobs that the Mystic Seaport directly or indirectly creates. The Mystic Seaport operation also generates a population increase of roughly 250 per year.

These expenditures and population growth have provided opportunities for business, and incentives for business expansion. This is evidenced by the employment increases and by total investment of $13.5 million. The distribution of investment is provided in Figure 13, below. Approximately $4.1 million is associated with housing, with the remainder directly associated with business expansion.

The population growth stimulated by the Mystic Seaport Museum, and the taxes paid by these new residents, have caused an expansion of state and local government services amounting to about $700,000 per year, as shown below in Figure 14. Most of the expansion is in education.
Of the 995 jobs created by the Mystic Seaport, 22 are in manufacturing, while 958 are in nonmanufacturing areas and 14 are government. As shown in Figure 15, most of the jobs created are in retail trade (385) and services (465); construction (39) employment is spurred by the housing sales described above and in Figure 13.

In summary, the Mystic Seaport Museum contributes widely to the Connecticut economy. Specifically:

- In nominal terms it adds about $27.5 million per year to total personal disposable income (after-tax income).

- Mystic Seaport generates $1.80 in economic activity (gross state product) for every $1.00 in expenses in incurs. (Multiplier of 1.8)
• Even though the museum has not-for-profit tax-exempt status, its activities result in the collection of almost $6 million in taxes each year at all levels of government.

• The Mystic Seaport attracts hundreds of thousands of tourists each year.

• The Mystic Seaport contributes to the expansion of the population, adding about 250 new residents each year.

• The Mystic Seaport puts about 1,000 people to work.
**CASE 4: 10% OF ADMISSIONS ARE NET NEW TOURISTS**

In this fourth case, we assume:

- 10% of the tourists coming from outside the state lengthen their stay in Connecticut, attracted by the Mystic Seaport experience; and
- 50% of the tourists who are Connecticut residents opt to go to the Mystic Seaport rather than attend attractions outside the state.

Such expenditures represent net new expenditures to the state. Based upon our discussions with the Connecticut Department of Economic Development’s Tourism Department and upon studies for which they contracted, we believe this to be the least likely distribution of expenditure sources. This is our worst case.

Under this assumption, the Mystic Seaport Museum increases economic activity in the state, as measured by nominal gross state product, by $36.1 million per year. Given that the annual expenditures of the Mystic Seaport are about $23.6 million, this yields a multiplier of 1.5. That is, for every dollar that Mystic Seaport pays in expenses, it generates $1.50 in gross state product.

As shown in Figures 16 and 17, the stimulated activity is diverse, and almost entirely in the private sector. Consumer spending accounts for roughly one-half of the increased activity, whereas business expansion and residential housing (investment) makes up roughly one-third of the activity. Net exports, exports from the state (to other states or countries) less imports into the state, make up most of the remainder. The large, positive, net exports amounts to an injection of activity from outside the state.

![Figure 16. Contribution to Real Gross State Product. (10% Case)](image-url)
The $18.0 million of consumer activity created by the Mystic Seaport Museum is not sectorally localized, but is distributed over many industries. As shown in Figure 17, while the sales of food, beverages, and other nondurables, commonly associated with tourism activities, makes up approximately 25% of sales to consumers, expenditures related to households and their operations make up another 26%. Household expenditures are related to the 840 jobs that the Mystic Seaport directly or indirectly creates. The Mystic Seaport operation also generates a population increase of roughly 215 per year.

These expenditures and population growth have provided opportunities for business, and incentives for business expansion. This is evidenced by the employment increases and by total investment of $11.4 million. The distribution of investment is provided in Figure 18, below. Approximately $3.5 million is associated with housing, with the remainder directly associated with business expansion.

Figure 17. Distribution of Consumption Spending. (10% Case)

Figure 18. Distribution of Investment Spending. (10% Case)
The population growth stimulated by the Mystic Seaport Museum, and the taxes paid by these new residents, have caused an expansion of state and local government services amounting to about $440,000 per year, as shown below in Figure 19. Most of the expansion is in education.

Of the 840 jobs created by the Mystic Seaport, 19 are in manufacturing, while 809 are in nonmanufacturing areas and 12 are government. As shown in Figure 20, most of the jobs created are in retail trade (325) and services (392); construction (33) employment is spurred by housing sales and direct investment described above and in Figure 18.

![Figure 19. Distribution of Government Spending. (10% Case)](image1)

![Figure 20. Distribution of Non Manufacturing Jobs. (10% Case)](image2)

In summary, the Mystic Seaport Museum contributes widely to the Connecticut economy. Specifically:

- In nominal terms it adds about $23.2 million per year to total personal disposable income (after-tax income).
• Mystic Seaport generates $1.50 in gross state product for every $1.00 in expenses that it pays out. (Multiplier of 1.5)

• Even though the museum has not-for-profit tax-exempt status, its activities result in the collection of about $5 million in taxes each year at all levels of government.

• The Mystic Seaport attracts thousands of tourists each year.

• The Mystic Seaport contributes to the expansion of the population, adding about 215 new residents each year.

  The Mystic Seaport puts about 840 people to work.
**CONCLUSIONS**

Unequivocally, the Mystic Seaport Museum makes large and positive contributions to the economic welfare of the residents of Connecticut. According to our most likely set of assumptions (Case 1), directly or indirectly, the Mystic Seaport brings about 1,250 jobs to Connecticut, involving about $36.5 million in wage and salary disbursements. The Mystic Seaport is responsible for about $7.5 million in tax receipts across the many levels of government, and a $34.5 million increase in resident’s after-tax income.

In Case 2, a less optimistic case, only 33% of tourist expenditures are assumed to be net new expenditures to the state. Directly or indirectly, the Mystic Seaport creates about 1,080 jobs, involving wage and salary disbursements of $31.6 million. The Mystic Seaport increases the income of residents by $29.8 million, after taxes and transfers.

In Case 3, 25% of tourist expenditures are assumed to be net new expenditures to the state. About 1,000 jobs are created by the Mystic Seaport, along with $30.0 million in wage and salary disbursements. The Mystic Seaport increases resident’s income, after taxes and transfers, by $27.4 million.

In Case 4, only 10% of tourist expenditures are assumed to be net new expenditures to the state. About 840 jobs are created by the Mystic Seaport, along with $24.6 million in wage and salary disbursements. The Mystic Seaport increases resident’s income, after taxes and transfers, by $23.2 million.

There is no downside to this analysis. This is an industry that attracts new business from out of state. In this industry in Connecticut, no other attraction draws tourists to it as a final destination as does the Mystic Seaport. Moreover, it is a “clean” industry, with an interest in preserving Connecticut’s beauty and ambiance.