

News Release

[News Release](#)

[Related Materials](#)

[Contacts](#)

EMBARGOED UNTIL RELEASE AT 8:30 A.M. EDT, TUESDAY, JUNE 21, 2011

BEA 11-30

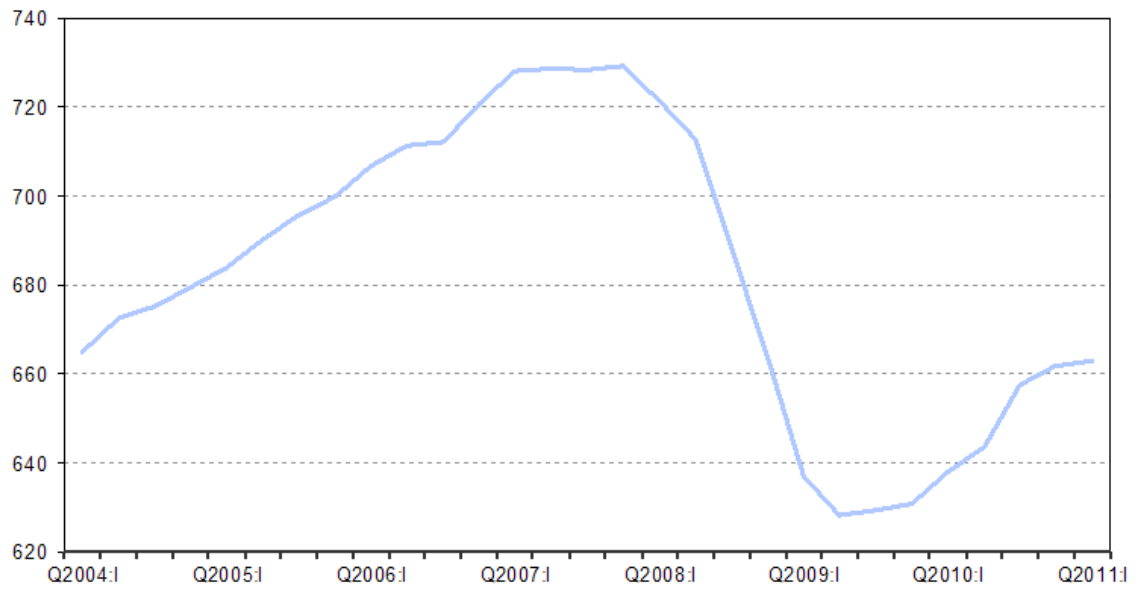
State Quarterly Personal Income, 1st quarter 2010- 1st quarter 2011

Real spending on travel and tourism increased at an annual rate of 0.6 percent in the first quarter of 2011, following an increase of 2.6 percent (revised) in the fourth quarter of 2010. By comparison, real gross domestic product (GDP) increased 1.8 percent in the first quarter, after increasing 3.1 percent in the fourth quarter. The slowdown in real spending on tourism reflected a downturn in both domestic and international passenger air transportation as passengers faced higher ticket prices.

Overall growth in prices for travel and tourism goods and services accelerated; increasing 9.8 percent in the first quarter of 2011 following a 1.7 percent (revised) increase in the fourth quarter of 2010. The acceleration in prices for travel and tourism goods and services reflect strong price increases in gasoline and passenger air transportation.

Billions of chained
(2005) dollars

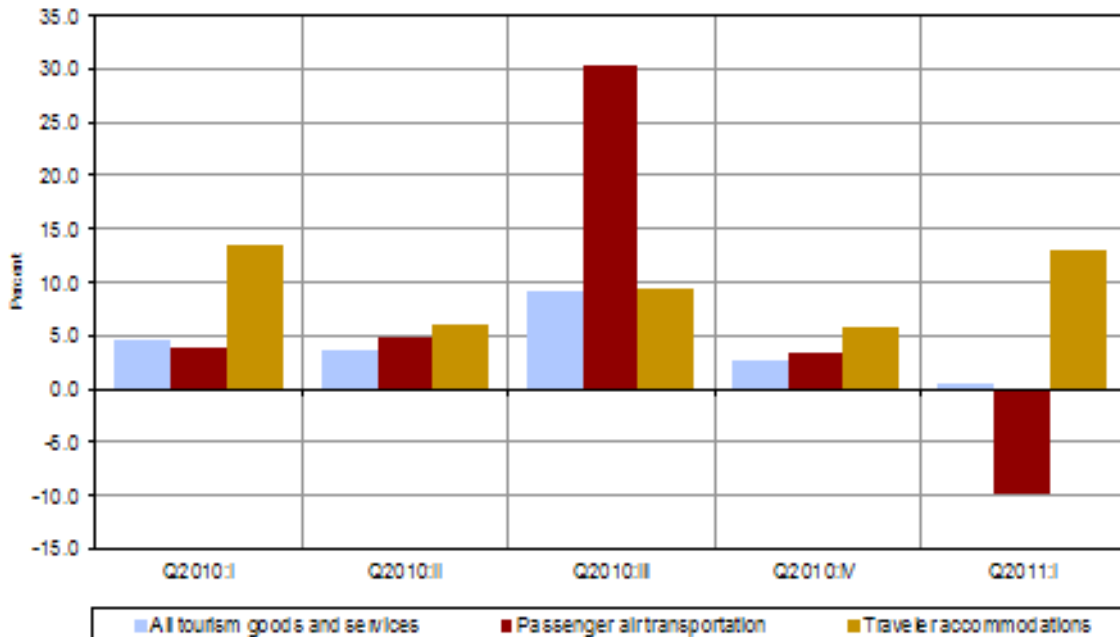
Chart 1. Real Tourism Spending



U.S. Bureau of Economic Analysis

Direct tourism-related employment increased 2.0 percent in the first quarter of 2011, after increasing 1.6 percent (revised) in the fourth quarter of 2010. By comparison, overall U.S. employment increased 1.3 percent in the first quarter after increasing 0.8 percent in the fourth quarter.

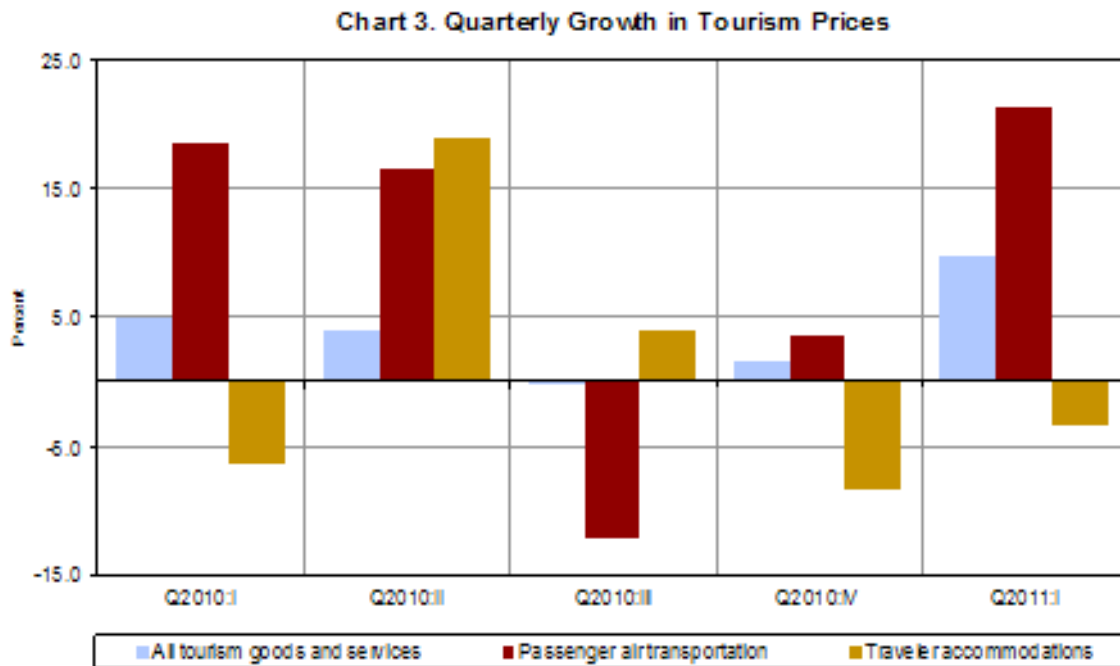
Chart 2. Quarterly Growth in Real Tourism Spending



U.S. Bureau of Economic Analysis

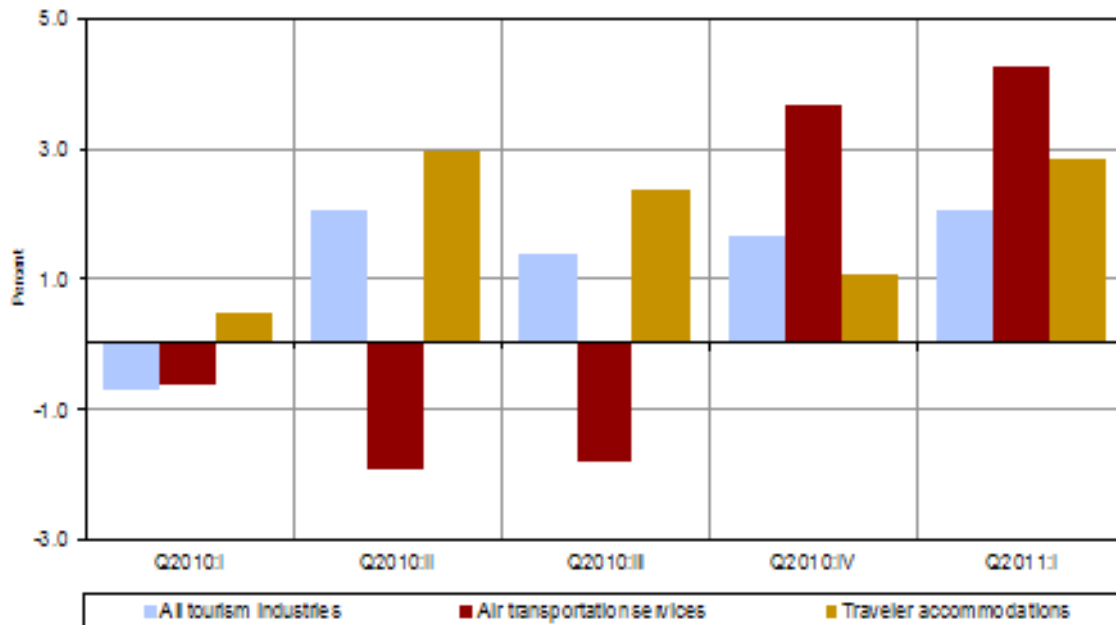
Real Tourism Spending. Real spending on passenger air transportation turned down,

decreasing 9.9 percent in the first quarter of 2011 after increasing 3.4 percent in the fourth quarter of 2010. Capacity grew faster than demand, especially on international routes, while prices rose to cover significantly increased fuel costs. The downturn in air passenger transportation was partially offset by an acceleration in real spending on traveler accommodations which increased 12.9 percent in the first quarter after increasing 5.8 percent in the fourth quarter. Occupancy rates increased as room prices continued their decline from the previous quarter.



Tourism Prices. Prices for passenger air transportation accelerated steeply, increasing 21.4 percent in the first quarter of 2011 after increasing 3.5 percent in the fourth quarter of 2010. Domestic and international passengers continued to pay more in the first quarter due to rising fuel costs. Prices for traveler accommodations decreased 3.2 percent in the first quarter after decreasing 8.2 percent in the fourth quarter. Group rates, negotiated in prior quarters, continued to suppress overall traveler accommodations prices.

Chart 4. Quarterly Growth in Tourism Employment



U.S. Bureau of Economic Analysis

Tourism Employment. Direct employment in the travel and tourism industries increased 2.0 percent in the first quarter of 2011. All industries saw increases in employment with the exception of recreation and entertainment which turned down slightly in the first quarter, decreasing 0.5 percent in contrast to an increase of 0.8 percent in the prior quarter.

Total Tourism-Related Spending. The U.S. production generated by tourism spending not only includes the goods and services that are purchased directly, but also the inputs used to produce these goods and services indirect tourism-related spending. In the first quarter of 2011, total current-dollar tourism-related spending was \$1.2 trillion and consisted of \$782.7 billion (68 percent) of direct tourism spending goods and services sold directly to visitors and \$417.3 billion (32 percent) of indirect tourism-related spending goods and services used to produce what visitors buy.

Total Tourism-Related Employment. In the first quarter of 2011, total tourism-related employment was 7.6 million and consisted of 5.4 million (71 percent) direct tourism jobs jobs where workers produce goods and services sold directly to visitors and 2.2 million (29 percent) indirect tourism-related jobs jobs where workers produce goods and services used to produce what visitors buy.

Definitions

Tourism spending. Tourism spending comprises all goods and services purchased by tourists (defined as people who travel for any reason). In the following tables, tourism spending is referred to as direct tourism output.

Indirect tourism-related spending. Indirect tourism-related spending comprises all output used as inputs in the process of producing direct tourism output (e.g., toiletries for hotel

guests and the plastic used to produce souvenir key chains).

Total tourism-related spending. Total tourism-related spending is the sum of direct tourism spending and indirect tourism-related spending.

Direct tourism employment. Direct tourism employment comprises all jobs where the workers are engaged in the production of direct tourism output (such as hotel staff, airline pilots, and souvenir sellers).

Indirect tourism-related employment. Indirect tourism-related employment comprises all jobs where the workers are engaged in the production of indirect tourism-related output (e.g., employees of companies that produce toiletries for hotel guests and the plastic used to produce souvenir key chains).

Total tourism-related employment. Total tourism-related employment is the sum of direct tourism employment and indirect tourism-related employment.

These statistics are from BEA's Travel and Tourism Satellite Accounts (TTSA), which are supported by funding from the Office of Travel and Tourism Industries, International Trade Administration, U.S. Department of Commerce. The current-price statistics of direct tourism output were derived from BEA's annual TTSA and from current-price quarterly statistics of personal consumption expenditures from the National Income and Product Accounts (NIPAs). The real statistics of direct tourism output were developed using price indexes from the Bureau of Labor Statistics (BLS) and real quarterly statistics of personal consumption expenditures from the NIPAs. The statistics of direct tourism employment were derived from the annual TTSA (revised in June 2011) from BEA, the Quarterly Census of Employment and Wages (QCEW), and Current Employment Statistics (CES) from BLS.

Quarterly statistics are seasonally adjusted and expressed at annual rates, unless otherwise specified. Percent changes are calculated from unrounded data and annualized. Real values are in chained (2005) dollars. Price indexes are Fisher chain-type measures. Growth in overall U.S. employment is calculated using BLS total nonfarm employment from Current Employment Statistics, www.bls.gov/ces/home.htm#data.

These statistics reflect the annual TTSA revision released in the June 2011 *Survey of Current Business*. The annual TTSA revision incorporated revised Input-Output (IO) tables for 2007 and 2008 and the preliminary IO table for 2009. The IO revision integrated source data that were more complete and more detailed than those previously available. Additionally, these estimates reflect unique travel and tourism-specific source data available on an annual basis only.

* * *

Next release – Travel and Tourism statistics for second quarter 2011 will be released on Wednesday, September 21, 2011 at 8:30 A.M. EDT.

BEA's national, international, regional, and industry statistics; the *Survey of Current*