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EMBARGOED UNTIL RELEASE AT 8:30 A.M. EDT, THURSDAY, JUNE 9, 2005

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BEA 05-24

**TOTAL TOURISM-RELATED SALES
GREW 11 PERCENT IN FIRST QUARTER 2005**
Annual Tourism Employment Up for First Time since 2000

Total sales of tourism-related goods and services grew 11 percent (seasonally adjusted at annual rates in current dollars) to \$998.2 billion in the first quarter of 2005 according to preliminary data released by the U.S. Bureau of Economic Analysis. Following a large decline in 2001, tourism sales have steadily increased in each of the last three years, growing 6.8 percent in 2004.

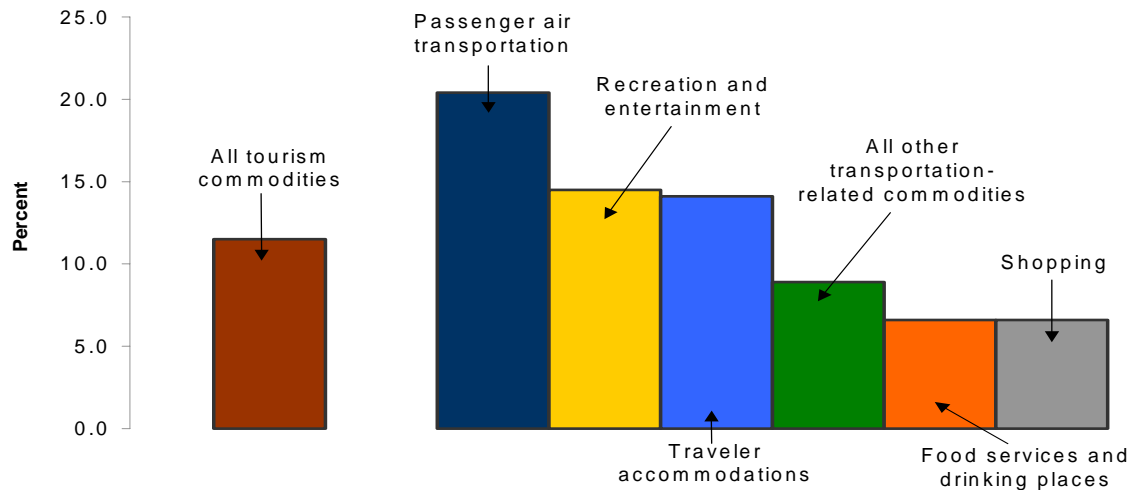
Newly available data on tourism employment indicate that total tourism-related employment grew 0.3 percent in 2004, the first annual increase since 2000. Total tourism-related employment consisted of 5,424 thousand direct tourism-related jobs, and 2,505 thousand indirect tourism-related jobs. (See box below for a further description of the total tourism-related employment measure.)

Direct Tourism Sales

In the first quarter of 2005, total tourism-related sales consisted of \$571.3 billion of direct tourism sales – sales of goods and services sold directly to visitors, and \$426.9 billion of indirect tourism sales – sales of goods and services used to produce what visitors buy. The highest sales growth was in 'passenger air transportation' at 20.4 percent. Sales of 'recreation and entertainment' grew 14.5 percent, and sales of 'traveler accommodations' grew 14.1 percent.

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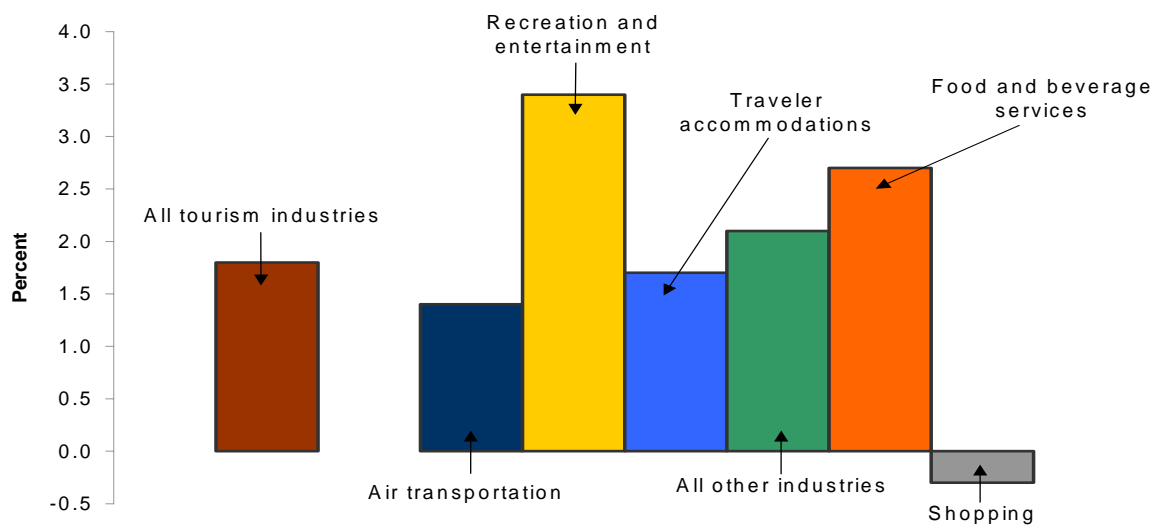
Chart 1. Percent Changes in Direct Tourism Sales of Tourism Commodities, Q2005:I



Direct Tourism Employment

In the fourth quarter of 2004, direct tourism-related employment grew 1.8 percent, with growth in the 'recreation and entertainment' and 'food and beverage services' industry groups of 3.4 percent and 2.7 percent, respectively, and growth in the 'traveler accommodations' and 'air transportation' industry groups of 1.7 percent and 1.4 percent, respectively.

Chart 2. Percent Changes in Direct Tourism Employment, Q2004:IV



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These estimates are from the Travel and Tourism Satellite Accounts, which are supported by funding from the Office of Travel and Tourism Industries, International Trade Administration, U.S. Department of Commerce. The estimates of direct tourism output were derived from the annual input-output (I-O) accounts for 2003 and quarterly estimates of personal consumption expenditures from the NIPAs. The estimates of direct tourism employment were derived from the annual I-O accounts for 2003 and from data from the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics.

BEA's estimates of tourism-related sales include figures for both "direct" and "indirect" sales. Direct tourism-related sales comprise all output consumed directly by visitors (e.g., traveler accommodations, passenger air transportation, souvenirs); indirect tourism-related sales comprise all output used as inputs in the process of producing direct tourism-related output (e.g., toiletries for hotel guests, the various ingredients used to make the meals served airline passengers, and the plastic used to produce souvenir key chains). Indirect sales were estimated using commodity-by-commodity output multipliers from the Industry Economics Division.

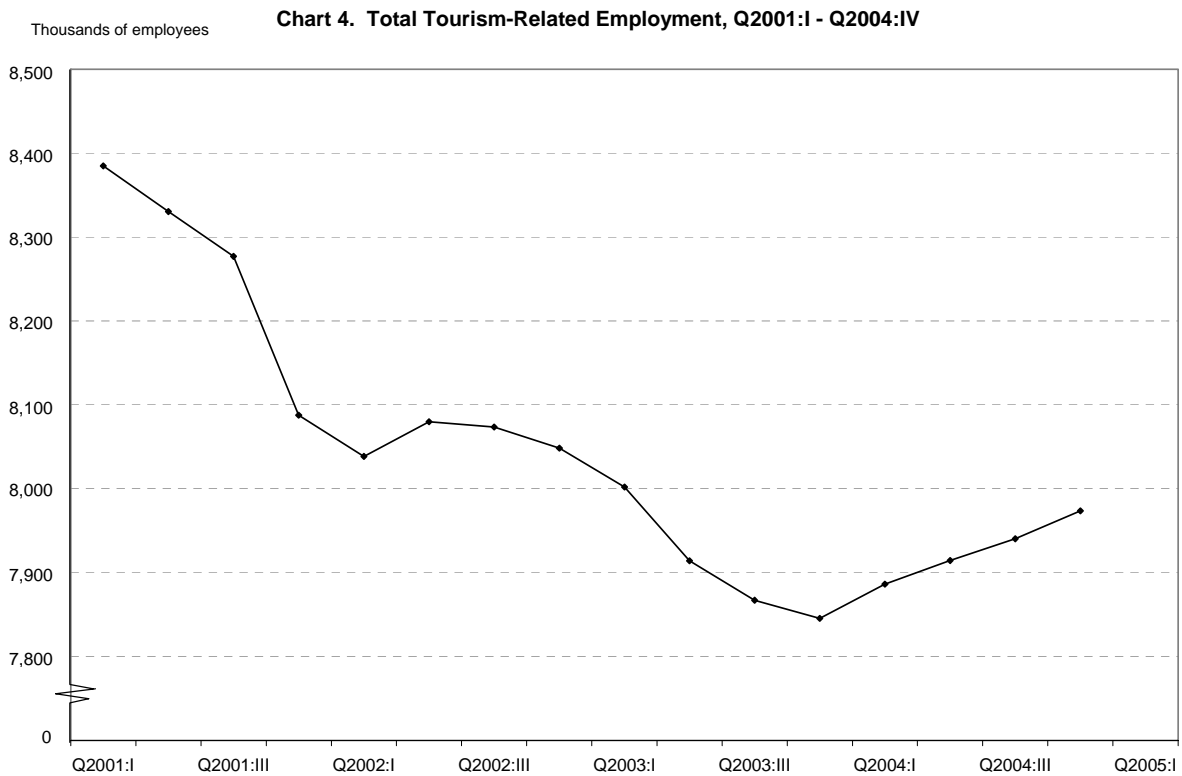
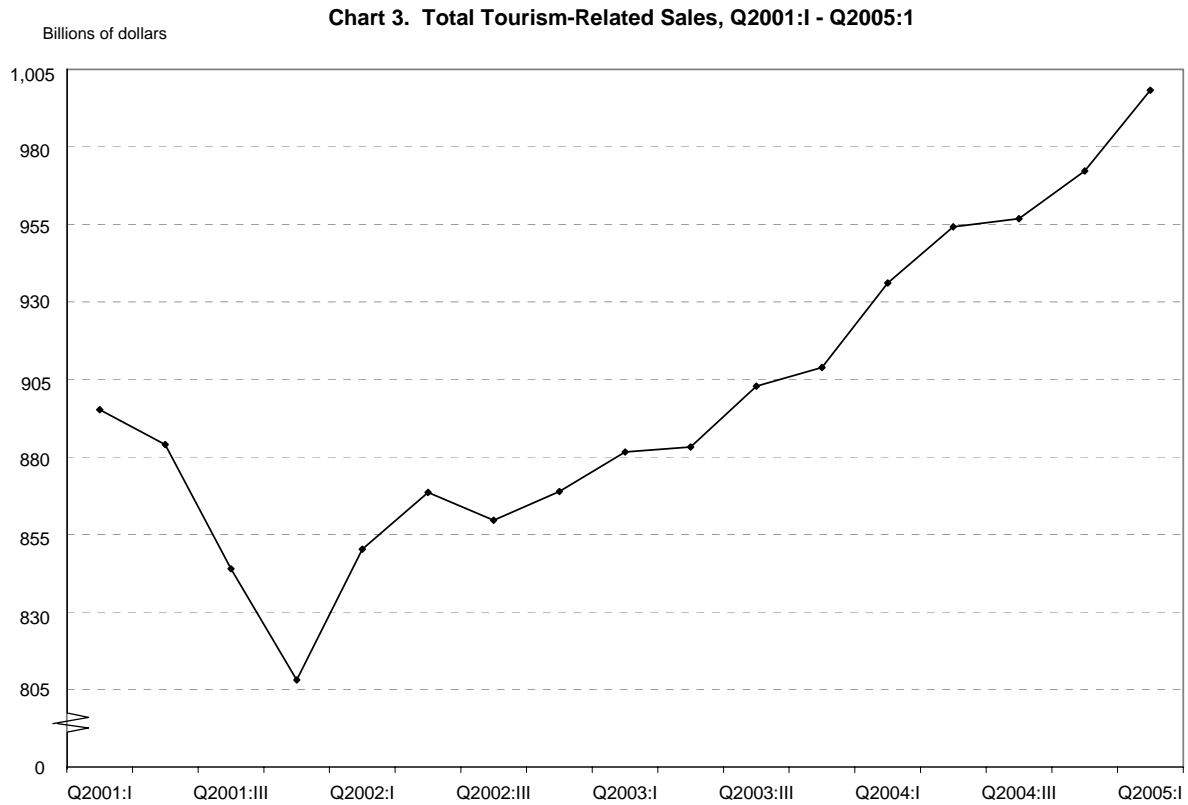
BEA's estimates of tourism-related employment now measure both "direct" and "indirect" employment. Direct tourism-related employment comprises all jobs where the workers are engaged in the production of direct tourism-related output (e.g., hotel staff, airline pilots, and souvenir sellers); indirect 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, the various ingredients used to make the meals served airline passengers, and the plastic used to produce souvenir key chains). Indirect employment was estimated using industry-by-industry employment multipliers from the Regional Economic Analysis Division. Employment data are available five to six months after the end of the reference quarter.

* * *

Next release – Travel and Tourism Activity for second quarter 2005 will be released September 8, 2005 at 8:30 a.m. EDT.

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Table 1. Percent Change in Direct Tourism Sales of Tourism Commodities, Q2001:I - Q2005:I
[Percent change from preceding period]

Tourism Commodity Group					Seasonally adjusted at annual rates																	
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	
Traveler accommodations	-7.8	-0.1	0.8	6.1	-5.3	-12.7	-25.6	-21.0	35.6	14.1	-5.6	-5.3	3.4	0.1	11.7	-8.1	10.2	11.8	8.1	10.0	14.1	
Passenger air transportation	-13.2	-5.3	4.6	6.9	-15.1	-4.5	-43.3	-47.9	73.3	17.6	-18.8	13.2	7.5	0.9	14.0	1.6	18.8	16.4	-17.5	-1.9	20.4	
All other transportation-related commodities	-0.4	-1.3	3.8	4.6	7.5	1.0	-17.5	-19.5	12.3	13.0	-3.1	5.8	14.5	-9.8	7.3	-0.5	9.1	9.6	-1.3	10.1	8.9	
Food services and drinking places	0.9	5.0	4.4	9.7	5.0	-5.3	6.2	4.4	12.4	3.1	0.9	1.9	1.6	8.1	8.3	13.2	13.4	4.4	7.5	10.7	6.6	
Recreation and entertainment	2.1	6.2	4.5	6.4	7.0	-2.6	-5.8	1.6	19.1	6.4	6.2	5.3	1.4	7.1	3.4	3.6	16.4	0.2	7.7	-1.4	14.5	
Shopping (Retailers)	-5.9	0.1	4.1	6.5	-16.2	-6.5	-5.2	-1.6	4.7	1.4	-1.3	4.8	5.5	2.4	9.7	4.4	8.7	4.9	6.0	8.7	6.6	
<i>All tourism commodities</i>	-4.5	0.4	3.7	6.7	-3.8	-5.1	-17.9	-16.7	23.7	9.3	-4.3	4.1	6.0	0.7	9.1	2.2	12.6	8.1	0.9	6.4	11.5	

Table 2. Direct Tourism Sales of Tourism Commodities, Q2001:I - Q2005:I
[Millions of dollars]

Tourism Commodity Group					Seasonally adjusted at annual rates																	
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	
Traveler accommodations	81,246.4	81,126.4	81,781.9	86,778.5	87,590.1	84,658.9	78,623.1	74,113.4	79,982.5	82,663.1	81,479.9	80,380.2	81,063.2	81,089.0	83,355.9	81,619.4	83,631.3	85,996.4	87,680.9	89,805.4	92,817.4	
Passenger air transportation	87,259.4	82,631.4	86,395.3	92,314.3	97,629.7	96,510.5	83,755.5	71,141.8	81,626.4	84,999.8	80,677.4	83,221.9	84,742.4	84,940.8	87,778.7	88,119.1	92,003.0	95,555.6	91,071.5	90,626.9	94,930.2	
All other transportation-related commodities	101,470.0	100,125.1	103,934.8	108,700.5	105,074.9	105,328.4	100,383.4	95,093.2	97,888.1	100,920.2	100,140.4	101,551.6	105,055.2	102,384.9	104,209.7	104,089.2	106,380.1	108,834.0	108,474.4	111,113.4	113,511.0	
Food services and drinking places	83,730.3	87,943.6	91,804.5	100,731.4	83,730.7	82,593.0	83,849.0	84,748.5	87,252.0	87,912.8	88,101.1	88,508.6	88,854.9	90,607.1	92,421.2	95,334.6	98,371.1	99,440.1	101,250.4	103,864.2	105,529.9	
Recreation and entertainment	60,591.6	64,336.4	67,216.4	71,501.5	61,287.7	60,881.6	59,978.4	60,218.6	62,908.6	63,887.5	64,850.5	65,699.1	65,934.2	67,069.1	67,633.9	68,228.2	70,872.2	70,911.1	72,239.4	71,983.4	74,455.0	
Shopping (Retailers)	77,794.3	77,891.8	81,090.1	86,391.4	79,381.2	78,065.0	77,023.2	76,707.5	77,584.6	77,857.8	77,605.7	78,519.3	79,579.4	80,050.2	81,926.8	82,804.2	84,543.1	85,552.2	86,815.6	88,654.7	90,084.6	
<i>All tourism commodities</i>	<i>492,091.8</i>	<i>494,054.8</i>	<i>512,222.8</i>	<i>546,417.6</i>	<i>514,694.3</i>	<i>508,037.4</i>	<i>483,612.6</i>	<i>462,023.0</i>	<i>487,242.1</i>	<i>498,241.3</i>	<i>492,854.9</i>	<i>497,880.7</i>	<i>505,229.2</i>	<i>506,141.2</i>	<i>517,326.3</i>	<i>520,194.7</i>	<i>535,800.8</i>	<i>546,289.4</i>	<i>547,532.3</i>	<i>556,048.0</i>	<i>571,328.0</i>	

Table 3. Total Tourism-Related Sales of Tourism Commodities, Q2001:I - Q2005:I
[Millions of dollars]

Tourism Commodity Group					Seasonally adjusted at annual rates																	
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	
Traveler accommodations	124,008.5	123,825.4	124,825.8	132,452.3	133,691.1	129,217.1	120,004.6	113,121.2	122,079.4	126,170.8	124,364.9	122,686.4	123,728.9	123,768.4	127,228.3	124,577.8	127,648.7	131,258.6	133,829.8	137,072.3	141,669.7	
Passenger air transportation	144,686.2	137,012.4	143,253.3	153,067.7	161,881.4	160,025.5	138,876.3	117,961.3	135,346.0	140,939.5	133,772.5	137,991.6	140,512.7	140,841.7	145,547.2	146,111.8	152,551.6	158,442.3	151,007.2	150,269.9	157,405.3	
All other transportation-related commodities	171,642.7	169,179.6	175,675.0	184,178.0	177,772.0	178,386.6	169,932.4	160,480.0	165,304.9	170,554.9	169,154.1	171,704.5	177,763.9	172,892.6	176,119.6	175,923.8	180,088.9	184,449.5	183,799.5	188,374.1	192,547.8	
Food services and drinking places	156,458.2	164,331.3	171,545.6	188,226.6	156,459.0	154,333.1	156,680.0	158,360.8	163,038.9	164,273.7	164,625.5	165,387.1	166,034.1	169,308.3	172,698.1	178,142.0	183,816.1	185,813.6	189,196.2	194,080.3	197,192.9	
Recreation and entertainment	99,661.9	105,870.8	110,612.8	117,703.7	100,815.5	100,120.1	98,840.6	99,071.5	103,506.3	105,138.5	106,666.7	108,171.7	108,494.5	110,359.7	111,301.1	112,296.0	116,593.7	116,763.8	118,937.0	118,520.4	122,545.3	
Shopping (Retailers)	161,384.8	161,587.3	168,222.2	179,219.7	164,677.0	161,946.5	159,785.3	159,130.4	160,949.9	161,516.7	160,993.6	162,888.9	165,088.1	166,064.7	169,957.8	171,778.0	175,385.3	177,478.7	180,099.7	183,915.0	186,881.1	
All tourism commodities	857,842.3	861,806.7	894,134.8	954,848.0	895,296.0	884,029.0	843,919.2	808,125.3	850,225.5	868,594.1	859,577.4	868,830.0	881,622.2	883,235.4	902,852.3	908,829.3	936,084.3	954,206.5	956,869.4	972,231.9	998,242.1	
Percent change at annual rates	-4.4	0.5	3.8	6.8	-4.0	-4.9	-17.0	-15.9	22.5	8.9	-4.1	4.4	6.0	0.7	9.2	2.7	12.5	8.0	1.1	6.6	11.1	

Table 4. Percent Change in Direct Tourism Employment, Q2001:I - Q2004:IV

[Percent change from preceding period]

Tourism industry group					Seasonally adjusted at annual rates															
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV
Traveler accommodations	-2.6	-3.4	-0.8	0.6	-3.2	-4.5	-4.0	-16.7	0.4	4.5	-0.7	-1.1	0.7	-5.0	-0.4	1.1	0.9	1.3	1.8	1.7
Air transportation services	-0.7	-8.5	-3.8	-0.1	0.8	-2.9	-3.6	-23.0	-15.4	4.6	1.1	-1.5	-6.4	-10.1	-3.8	2.2	2.7	0.4	-1.6	1.4
All other transportation-related industries	-0.4	-5.8	-5.8	-2.9	5.9	-0.5	-3.7	-15.3	-4.4	-2.5	-3.4	-4.3	-6.3	-8.3	-8.2	-4.8	-2.4	0.6	0.5	0.0
Food and beverage services	-0.8	2.5	-0.3	1.5	-2.8	-0.6	0.1	1.0	6.4	3.4	1.1	0.3	-1.3	-1.2	-0.3	-1.1	3.7	1.9	3.1	2.7
Recreation and entertainment	1.9	-0.3	-0.9	1.6	-1.8	0.1	2.6	5.3	-8.6	2.7	1.5	-0.1	-1.2	-2.0	-2.4	-3.8	7.7	2.6	1.6	3.4
Shopping (Retailers)	-4.4	-3.7	-3.0	-0.6	-4.6	-6.5	-6.1	-5.3	-2.1	-2.1	-2.9	-3.5	-3.9	-3.0	-2.1	-1.5	-0.1	0.9	-0.3	-0.3
All other industries	-1.9	-2.4	-0.7	0.8	-2.7	-3.3	-3.0	-1.7	-5.8	0.5	-0.5	-0.4	0.1	-1.6	-2.0	-1.1	2.2	2.5	1.5	2.1
<i>All tourism industries</i>	-1.3	-2.2	-1.8	0.4	-1.6	-2.4	-2.3	-8.6	-1.7	2.3	-0.3	-1.2	-2.2	-4.1	-2.1	-1.0	2.2	1.5	1.5	1.8

Table 5. Direct Tourism Employment, Q2001:I - Q2004:IV

[Thousands of employees]

Tourism industry group					Seasonally adjusted at annual rates															
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV
Traveler accommodations	1,370.1	1,323.1	1,312.8	1,321.1	1,404.6	1,388.6	1,374.4	1,312.9	1,314.3	1,328.9	1,326.4	1,322.8	1,325.1	1,308.3	1,306.9	1,310.6	1,313.6	1,317.9	1,323.7	1,329.1
Air transportation services	595.3	544.7	524.0	523.4	610.9	606.5	600.9	562.9	539.9	546.0	547.5	545.4	536.4	522.3	517.3	520.1	523.6	524.2	522.1	523.9
All other transportation-related industries	700.0	659.7	621.1	602.8	711.2	710.3	703.7	675.0	667.5	663.3	657.5	650.3	639.8	626.2	613.0	605.4	601.7	602.6	603.5	603.4
Food and beverage services	1,594.5	1,634.9	1,630.5	1,655.0	1,594.9	1,592.7	1,593.2	1,597.2	1,622.0	1,635.8	1,640.3	1,641.5	1,635.9	1,631.1	1,629.7	1,625.2	1,640.0	1,647.9	1,660.5	1,671.7
Recreation and entertainment	597.1	595.5	590.2	599.6	593.1	593.3	597.1	604.9	591.5	595.4	597.6	597.5	595.6	592.6	589.0	583.4	594.3	598.1	600.5	605.5
Shopping (Retailers)	566.5	545.6	529.0	525.6	580.1	570.4	561.5	553.9	551.0	548.1	544.1	539.3	534.0	529.9	527.0	525.1	524.9	526.2	525.7	525.4
All other industries	200.8	196.0	194.6	196.1	203.0	201.3	199.8	198.9	196.0	196.2	196.0	195.8	195.8	195.0	194.0	193.5	194.6	195.8	196.5	197.6
<i>All tourism industries</i>	5,624.3	5,499.5	5,402.1	5,423.6	5,697.7	5,663.0	5,630.7	5,505.7	5,482.1	5,513.7	5,509.4	5,492.6	5,462.7	5,405.4	5,377.0	5,363.3	5,392.6	5,412.6	5,432.5	5,456.6

Table 6. Total Tourism-Related Employment, Q2001:I - Q2004:IV

[Thousands of employees]

Tourism industry group					Seasonally adjusted at annual rates															
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV
Traveler accommodations	1,686.2	1,628.4	1,615.6	1,625.8	1,728.6	1,709.0	1,691.5	1,615.8	1,617.5	1,635.5	1,632.4	1,628.0	1,630.8	1,610.2	1,608.5	1,613.0	1,616.6	1,622.0	1,629.0	1,635.8
Air transportation services	1,054.4	964.7	928.1	927.0	1,081.9	1,074.1	1,064.3	997.0	956.2	967.1	969.7	966.0	950.1	925.0	916.2	921.2	927.3	928.3	924.6	927.9
All other transportation-related industries	1,208.2	1,140.9	1,084.9	1,061.0	1,226.3	1,225.5	1,214.3	1,166.6	1,152.9	1,145.5	1,137.7	1,127.5	1,113.5	1,092.1	1,072.1	1,061.8	1,059.8	1,062.6	1,064.4	1,064.4
Food and beverage services	2,132.3	2,186.3	2,180.4	2,213.2	2,132.8	2,129.8	2,130.6	2,135.8	2,169.0	2,187.5	2,193.5	2,195.1	2,187.7	2,181.2	2,179.4	2,173.3	2,193.1	2,203.7	2,220.6	2,235.5
Recreation and entertainment	878.3	877.3	870.0	882.2	872.3	872.5	878.0	890.3	870.4	877.3	880.8	880.7	878.3	873.8	868.2	859.6	874.6	880.2	883.6	890.2
Shopping (Retailers)	967.7	926.8	895.7	885.3	996.5	975.8	957.0	941.5	937.1	930.9	923.6	915.7	906.4	898.0	891.4	887.0	885.9	887.0	885.1	883.2
All other industries	342.9	335.8	332.6	334.2	346.3	343.6	341.3	340.4	335.5	336.2	335.9	335.5	335.4	333.7	331.4	329.8	331.7	333.7	334.9	336.6
<i>All tourism industries</i>	8,269.9	8,060.2	7,907.2	7,928.8	8,384.7	8,330.3	8,277.0	8,087.6	8,038.7	8,079.9	8,073.6	8,048.5	8,002.2	7,914.1	7,867.1	7,845.6	7,886.3	7,914.6	7,940.5	7,973.6
<i>Percent change at annual rate</i>	-1.5	-2.5	-1.9	0.3	-1.9	-2.6	-2.5	-8.8	-2.4	2.1	-0.3	-1.2	-2.3	-4.3	-2.4	-1.1	2.1	1.4	1.3	1.7