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TOTAL TOURISM-RELATED SALES GREW 6.7 PERCENT IN 2004

Tourism Activity Up for Ninth Consecutive Quarter

Total sales of tourism-related goods and services grew 6.7 percent in 2004 to \$960.7 billion, according to preliminary estimates of the U.S. Bureau of Economic Analysis. This growth in total tourism-related sales substantially exceeded the rate of 4.0 percent in 2003, and continues the recovery from the 4.4 percent decline in 2001. In comparison, current dollar GDP grew 6.6 percent in 2004.

Total sales increased for the ninth consecutive quarter, growing 6.5 percent (seasonally adjusted at annual rates) in the fourth quarter of 2004, following an increase of 1.0 percent in the third quarter (revised). In comparison, current dollar GDP grew 5.5 and 6.0 percent respectively in the third and fourth quarters of 2004.

Direct Tourism Sales

In 2004, total tourism-related sales consisted of \$548.6 billion of direct tourism sales – sales of goods and services sold directly to visitors, and \$412.1 billion of indirect tourism sales – sales of the goods and services used to produce what visitors buy. Growth in direct tourism sales was strong across all commodity groups, with sales of ‘traveler accommodations’, ‘passenger air transportation’, and ‘food services and drinking places’ growing 5.9 percent, 6.9 percent, and 9.7 percent, respectively. In the fourth quarter of 2004, direct sales of ‘traveler accommodations’ and ‘food services and drinking places’ also enjoyed strong growth, with rates of 10.1 percent and 9.1 percent, respectively. ‘Passenger air transportation’ declined 2.1 percent, a smaller drop compared to the third quarter of 2004.

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Tourism Employment

Direct tourism-related employment increased for the third consecutive quarter, growing 0.8 percent, or 11,100 employees (seasonally adjusted at annual rates), to 5,444.5 thousand employees in the third quarter of 2004, the most recent quarter for which data are available. The largest increases occurred in the ‘food and beverage services’, ‘traveler accommodations’, and ‘recreation and entertainment’ industries, which posted job gains of 8,300, 3,800, and 1,400, respectively. The largest decline occurred in the ‘air transportation services’ industry, where the number of jobs fell by 1,800. In the second quarter of 2004, direct tourism employment grew 1.3 percent (revised).

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 incorporate the December 2004 revisions to BEA’s annual input-output accounts for 2001-2003, and the preliminary fourth quarter 2004 estimates of GDP.

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 derived from BEA’s annual input-output accounts.

BEA’s estimates of tourism-related employment measure “direct” tourism-related 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).

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Next release – Travel and Tourism Activity for first quarter 2005 will be released June 9, 2005 at 8:30 a.m. EDT.

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Total (Direct and Indirect) Tourism-related Sales, Q1999:I - Q2004:IV

Billions of dollars



Tourism-related Employment, Q1999:I - Q2004:III

Thousands of employees



Table 1. -- Percent Change in Direct Tourism-related Sales of Tourism Commodities, Q2001:I - Q2004:IV

[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
Traveler accommodations	-7.8	-0.1	0.8	5.9	-5.3	-12.7	-25.6	-21.0	35.6	14.1	-5.6	-5.3	4.0	-0.2	11.1	-8.5	10.2	11.8	8.1	10.1
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	6.6	1.8	14.6	1.5	18.8	16.4	-17.5	-2.1
All other transportation-related commodities	-0.4	-0.5	4.8	5.1	7.0	1.1	-17.1	-18.9	13.4	14.1	-2.0	6.9	15.7	-9.1	8.3	-0.1	9.4	9.7	-1.4	13.0
Food services and drinking places	0.9	4.9	4.2	9.7	5.0	-5.3	6.2	4.3	12.2	2.9	0.7	1.7	0.9	8.5	8.5	13.1	13.4	4.4	7.5	9.1
Recreation and entertainment	2.1	6.2	4.5	6.3	7.0	-2.6	-5.8	1.6	19.1	6.4	6.2	5.3	1.5	7.3	3.4	3.3	16.5	0.1	7.7	-1.4
Shopping (Retailers)	-5.9	0.3	4.3	6.3	-16.3	-6.4	-5.2	-1.5	4.9	1.6	-1.1	5.0	6.6	2.0	9.2	3.9	8.7	4.9	6.0	7.6
<i>All Tourism Commodities</i>	-4.5	0.6	3.9	6.7	-3.8	-5.0	-17.8	-16.6	23.9	9.6	-4.0	4.4	6.3	1.0	9.3	2.1	12.6	8.1	0.9	6.5

Source: Bureau of Economic Analysis

Table 2. -- Direct Tourism-related Sales of Tourism Commodities, Q2001:I - Q2004:IV

[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
Traveler accommodations	81,246.4	81,126.1	81,781.2	86,631.8	87,590.1	84,658.9	78,623.1	74,113.3	79,982.3	82,662.8	81,479.5	80,379.7	81,178.1	81,146.7	83,319.1	81,480.9	83,489.4	85,850.5	87,532.2	89,654.9
Passenger air transportation	87,259.4	82,630.9	86,394.0	92,390.8	97,629.8	96,510.5	83,755.5	71,141.7	81,626.2	84,999.5	80,676.9	83,221.2	84,568.6	84,936.2	87,874.5	88,196.8	92,085.0	95,642.9	91,157.2	90,678.2
All other transportation-related commodities	101,470.0	100,965.6	105,798.8	111,175.5	104,941.6	105,241.4	100,415.0	95,281.9	98,329.6	101,619.5	101,103.6	102,809.9	106,633.6	104,127.7	106,225.1	106,208.9	108,610.6	111,147.2	110,756.0	114,188.3
Food services and drinking places	83,730.3	87,837.2	91,567.1	100,404.1	83,744.3	82,602.5	83,847.2	84,727.1	87,195.0	87,823.6	87,978.4	88,351.7	88,549.7	90,373.5	92,227.9	95,117.4	98,147.0	99,213.5	101,019.7	103,236.2
Recreation and entertainment	60,591.6	64,328.2	67,227.0	71,473.5	61,288.1	60,881.8	59,978.7	60,217.7	62,902.7	63,878.4	64,846.5	65,685.2	65,934.5	67,104.2	67,662.0	68,207.2	70,854.7	70,876.6	72,205.1	71,957.5
Shopping (Retailers)	77,794.3	78,016.1	81,370.5	86,495.2	79,365.4	78,053.7	77,025.3	76,732.7	77,649.5	77,960.9	77,748.7	78,705.2	79,979.3	80,378.9	82,164.9	82,958.7	84,700.8	85,711.8	86,977.6	88,590.7
<i>All Tourism Commodities</i>	492,091.8	494,904.1	514,138.6	548,571.0	514,559.4	507,948.8	483,644.7	462,214.4	487,685.3	498,944.6	493,833.6	499,152.8	506,843.8	508,067.3	519,473.6	522,169.9	537,887.6	548,442.6	549,647.7	558,306.0

Source: Bureau of Economic Analysis

Table 3. -- Total (Direct and Indirect) Tourism-related Sales of Tourism Commodities, Q2001:I - Q2004:IV

[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
Traveler accommodations	122,923.2	122,741.2	123,732.3	131,071.1	132,521.1	128,086.2	118,954.3	112,131.1	121,010.7	125,066.2	123,275.9	121,612.0	122,819.8	122,772.4	126,059.1	123,277.9	126,316.8	129,889.0	132,433.4	135,645.1
Passenger air transportation	147,612.8	139,783.0	146,148.9	156,293.4	165,156.0	163,262.5	141,685.3	120,347.2	138,083.4	143,789.8	136,477.4	140,781.5	143,060.8	143,682.7	148,653.4	149,198.6	155,776.1	161,794.8	154,206.4	153,396.3
All other transportation-related commodities	175,634.1	174,787.9	183,248.1	192,555.8	181,698.2	182,290.5	173,860.0	164,687.8	170,296.4	175,938.4	174,944.9	177,971.8	184,547.8	180,358.8	184,060.5	184,025.4	188,172.6	192,590.7	191,827.4	197,632.4
Food services and drinking places	156,357.0	164,026.3	170,991.5	187,493.6	156,383.2	154,251.0	156,575.4	158,218.6	162,827.0	164,001.0	164,290.0	164,987.1	165,356.9	168,762.6	172,225.3	177,621.2	183,278.7	185,270.4	188,643.1	192,782.2
Recreation and entertainment	99,872.0	105,948.1	110,755.2	117,801.4	101,021.0	100,327.9	98,906.1	99,232.9	103,630.8	105,223.8	106,739.2	108,198.7	108,591.2	110,541.6	111,486.2	112,401.7	116,707.6	116,835.8	119,016.7	118,645.4
Shopping (Retailers)	157,819.6	158,269.5	165,074.5	175,471.1	161,007.0	158,345.9	156,259.6	155,666.0	157,525.9	158,157.6	157,727.1	159,667.6	162,252.3	163,063.0	166,686.3	168,296.6	171,830.8	173,881.8	176,449.6	179,722.2
<i>All Tourism Commodities</i>	860,218.6	865,556.1	899,950.6	960,686.3	897,786.4	886,564.1	846,240.6	810,283.4	853,374.3	872,176.8	863,454.6	873,218.6	886,628.8	889,181.3	909,171.0	914,821.4	942,082.7	960,262.5	962,576.7	977,823.5
<i>Percent Change at annual rate</i>	-4.4	0.6	4.0	6.7	-4.0	-4.9	-17.0	-15.9	23.0	9.1	-3.9	4.6	6.3	1.2	9.3	2.5	12.5	7.9	1.0	6.5

Source: Bureau of Economic Analysis

Table 4. -- Percent Change in Tourism-related Employment, Q2001:I - Q2004:III
[Percent change from preceding period]

Tourism Industry Group				Seasonally adjusted at annual rates															
	2001	2002	2003	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	
Traveler accommodations	-2.6	-3.4	-0.8	-3.2	-4.6	-4.0	-16.6	0.4	4.3	-0.7	-0.8	0.6	-5.3	-0.4	1.5	0.8	0.9	1.2	
Air transportation services	-0.7	-8.5	-3.8	0.7	-2.8	-3.6	-22.9	-15.5	4.6	1.0	-1.3	-6.7	-10.1	-3.9	2.7	2.3	0.4	-1.4	
All other transportation-related industries	-0.4	-4.8	-4.7	5.3	-0.4	-3.1	-14.5	-2.9	-1.6	-2.2	-3.0	-5.4	-7.3	-6.8	-3.3	-2.6	0.5	0.0	
Food and beverage services	-0.8	2.4	-0.4	-2.8	-0.6	0.1	1.0	6.1	3.3	1.0	0.3	-1.6	-1.4	-0.5	-1.0	3.7	1.8	2.0	
Recreation and entertainment	1.9	0.1	-0.5	-2.0	0.2	2.8	5.5	-8.0	3.0	1.8	0.3	-0.7	-1.6	-2.1	-3.2	7.9	2.2	0.9	
Shopping (Retailers)	-4.4	-3.6	-2.9	-4.6	-6.5	-6.1	-5.3	-2.0	-2.0	-2.8	-3.4	-3.7	-3.0	-1.9	-1.3	-0.1	0.9	-0.7	
All other industries	-1.9	-1.8	-0.1	-2.9	-3.1	-2.8	-1.3	-4.9	1.2	-0.1	0.3	0.6	-0.8	-1.6	-0.2	2.3	2.6	0.8	
<i>All Tourism Industries</i>	-1.3	-2.1	-1.6	-1.7	-2.4	-2.2	-8.4	-1.5	2.4	-0.1	-0.9	-2.1	-4.1	-1.9	-0.5	2.2	1.3	0.8	

Source: Bureau of Economic Analysis

Table 5. -- Tourism-related Employment, Q2001:I - Q2004:III
[Thousands of employees]

Tourism Industry Group				Seasonally adjusted at annual rates														
	2001	2002	2003	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
Traveler accommodations	1370.1	1323.0	1312.6	1404.8	1388.3	1374.2	1313.2	1314.5	1328.3	1326.0	1323.3	1325.3	1307.5	1306.2	1311.2	1313.9	1317.0	1320.8
Air transportation services	595.3	544.7	524.0	610.9	606.5	600.9	563.1	539.8	546.0	547.4	545.6	536.3	522.2	517.0	520.5	523.5	524.0	522.2
All other transportation-related industries	700.0	666.7	635.2	710.1	709.4	703.8	676.8	671.9	669.1	665.4	660.3	651.2	638.9	627.9	622.6	618.5	619.3	619.3
Food and beverage services	1594.5	1632.9	1626.3	1595.1	1592.7	1593.1	1597.0	1620.8	1633.8	1637.8	1639.3	1632.6	1626.9	1624.9	1620.9	1635.9	1643.2	1651.5
Recreation and entertainment	597.1	597.5	594.7	592.9	593.1	597.2	605.2	592.8	597.2	599.8	600.3	599.2	596.8	593.7	589.0	600.3	603.6	605.0
Shopping (Retailers)	566.5	546.0	530.1	580.0	570.4	561.5	553.9	551.2	548.4	544.6	539.8	534.8	530.8	528.2	526.5	526.4	527.5	526.6
All other industries	200.8	197.1	197.0	202.8	201.2	199.8	199.2	196.7	197.3	197.2	197.4	197.7	197.3	196.5	196.4	197.5	198.7	199.1
<i>All Tourism Industries</i>	<i>5624.3</i>	<i>5508.0</i>	<i>5419.8</i>	<i>5696.6</i>	<i>5661.5</i>	<i>5630.6</i>	<i>5508.4</i>	<i>5487.7</i>	<i>5520.1</i>	<i>5518.2</i>	<i>5506.0</i>	<i>5477.2</i>	<i>5420.5</i>	<i>5394.4</i>	<i>5387.2</i>	<i>5416.0</i>	<i>5433.4</i>	<i>5444.5</i>

Source: Bureau of Economic Analysis