

Taking Account...

Travel spending turns down in the fourth quarter

Real spending on travel and tourism decreased 2.3 percent in the fourth quarter of 2009, following an increase of 6.6 percent in the third quarter, according to statistics from the Bureau of Economic Analysis (BEA). By comparison, real gross domestic product increased 5.6 percent in the fourth quarter after increasing 2.2 percent in the third quarter.

The downturn in real spending on travel and tourism reflected a sharp downturn in passenger air transportation, which declined 11.9 percent after rising 24.5 percent. The decline occurred amid rapidly increasing prices. Travel accommodations also turned down, declining 7.9 percent after rising 16.9 percent. Corporate travelers shortened their business trips and reduced hotel stays.

Travel and tourism prices continued to rise; prices rose 7.0 percent in the fourth quarter after rising 6.1 percent in the third quarter. Passenger air transportation prices accelerated, rising 36.3 percent after rising 2.4 percent. The rise in prices partly reflected carriers' reduced capacity. Prices for traveler accommodations rose 3.1 percent after falling 4.7 percent.

Direct employment by the travel and tourism industry continued to fall, decreasing 2.3 percent in the fourth quarter after decreasing 3.0 percent in the third quarter. By comparison,

U.S. employment decreased 1.4 percent after decreasing 3.1 percent. The fourth-quarter decline in travel and tourism-related employment was the seventh straight quarterly decline.

Employment fell in all travel and tourism industries. Employment in air transportation services fell 1.3 percent in the fourth quarter, and employment in accommodations services fell 3.8 percent. For both industries, employment has declined for seven consecutive quarters.

The statistics come from BEA's travel and tourism satellite accounts, which are supported by funding from the Office of Travel and Tourism Industries of the International Trade Administration in the Commerce Department.

More information about the travel and tourism satellite accounts can be accessed at www.bea.gov/industry/index.htm.

The Haiti earthquake and the international accounts

The earthquake that struck Haiti on January 12, 2010, led to substantial donations of goods, services, and financial assets by U.S. and foreign organizations and individuals. The U.S. donations will be reflected in the monthly statistics for U.S. international trade in goods and services, beginning with the statistics for January, which were released March 11, and in the quarterly statistics for the U.S. international transactions accounts

(ITAs), beginning with the statistics for the first quarter of 2010, which will be released June 17.

However, because BEA's source data generally do not separately identify the donations for Haiti, it is not possible to determine how much of any period-to-period changes in recorded transactions should be attributed to the Haitian relief efforts. In addition, some donations may not have been reported to source data providers in a timely manner, because of the haste to provide aid and the unfamiliarity of some first-time exporters with reporting requirements.

Still, it is possible to identify the line items in the ITAs that are likely to be most affected by the relief efforts.

For more information on the specific line items that will be affected, please see FAQ 548 at www.bea.gov.

New content features on the BEA Web site

BEA has launched on its Web site several new content areas that aim to provide more accessible statistics and resources to users.

These "mini-sites" include a Congressional Quick Data site, an improved Newsroom site for journalists, a consumer spending resources site, a site about federal recovery programs and BEA statistics, and a site listing major historical revisions to the international transactions accounts.