

Taking Account...

Travel Spending Turns Down in Third Quarter

Real spending on travel and tourism turned down sharply in the third quarter of 2008, according to recent estimates from the Bureau of Economic Analysis (BEA) travel and tourism satellite accounts. Spending at an annual rate decreased 8.1 percent—the largest decline since the fourth quarter of 2001. In the second quarter, spending grew 2.8 percent (revised).

By comparison, real gross domestic product declined at an annual rate of 0.5 percent in the third quarter of 2008 after growing 2.8 percent in the second quarter.

Passenger air transportation led the travel and tourism downturn, decreasing 20.4 percent in the third quarter after decreasing 18.7 percent in the second quarter. Real spending on international flights fell sharply after two quarters of strong demand; spending on domestic flights declined for the fourth consecutive quarter.

Spending on accommodations turned down, decreasing 3.0 percent in the third quarter after a strong 19.5 percent increase in the second quarter. Hotel occupancy fell and room rates rose as more hotels eliminated discounts.

Retail shopping by travelers dropped for only the second time in the past 3 1/2 years, falling 6.9 percent in the third quarter after rising 4.7 percent in the second quarter.

Travel and tourism prices accelerated, increasing 10.6 percent following a 6.2 percent increase. Transportation prices accelerated, increasing 18.4 percent after increasing 14.7 percent. Prices for accommodations turned up, increasing 5.0 percent after decreasing 6.5 percent.

Employment supported directly by tourist spending fell 1.2 percent in the second quarter (the most recent period for which data are available). In the first quarter, employment grew 1.0 percent. By comparison, overall U.S. employment decreased 0.6 percent in the second quarter of 2008 and 0.3 percent in the first quarter.

Deputy Director Marcuss Wins Service Award

Rosemary D. Marcuss, Deputy Director of BEA, has been awarded a 2008 Presidential Rank Award as a Meritorious member of the Federal Senior Executive Service. The award is presented annually to a select group of federal executives for sustained extraordinary accomplishments.

Among her achievements are fostering professional development of the BEA staff; expanding outreach to the users of BEA's statistics, especially users in the business community; and bringing to BEA's written material, including the SURVEY OF CURRENT BUSINESS, clearer, more accessible exposition.

Marcuss's innovative solutions helped enable BEA to con-

sistently implement its 5-year strategic plan and the President's Management Agenda.

Under Marcuss's direction, both the U.S. Office of Management and Budget and the U.S. Office of Personnel Management recognized BEA's exemplary performance record with some of the highest ratings in the federal government.

Marcuss oversees the modernization of BEA's statistical production and dissemination infrastructure and the operation of the BEA Web site. Under her leadership, the Web site has garnered customer satisfaction scores that rank among the highest in the government according to the University of Michigan American Satisfaction Index. In 2006, as Acting Chief Economist of BEA, she managed the production of the first BEA research and development satellite account.

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