

U.S. Department of Commerce
International Trade Administration

U.S. Travel and Tourism Satellite Accounts: Industry Output and Employment Q1:2009

Bureau of Economic Analysis • Office of Travel and Tourism Industries



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Office of Travel and Tourism Industries

Economic Downturn Continues to Weaken Tourism Industry Accelerating Job Losses, Sharp Declines in Spending Paint a Gloomy Picture

Key statistics recently released by the Commerce Department for the first quarter of 2009 confirm that the current economic downturn has created the most difficult environment for the U.S. tourism industry since 9/11.

Total tourism-related employment decreased by 149,000 during the first quarter, settling at 8.35 million. This is the second largest quarterly drop on record and the worst since the fourth quarter of 2001. Job losses continued to accelerate, slipping from -4.0% to -6.8% (annualized) for the quarter.

Direct tourism employment, a narrower measure that excludes jobs tangentially related to the industry, dropped to 5.74 million after 99,000 jobs were cut during the first quarter. The traveler accommodations sector accounted for 45% of the reduction in direct tourism employment, shedding 44,550 jobs during the quarter.

U.S. Tourism Industry Contracting Much Faster Than U.S. Economy as a Whole

Total tourism-related spending figures indicate that the U.S. tourism industry shrank by 15.4% during the first quarter; by comparison, current-dollar U.S. GDP contracted at the rate of 4.6% during the same period.

Tourism-related spending decreased by \$53.3 billion during the first quarter. The transportation sector disproportionately contributed to this decline, dropping by \$39.9 billion, accounting for 75% of the total decline in tourism-related expenditures.

The industry has contracted by approximately \$139

billion over the last two quarters. This is the biggest consecutive-quarter contraction in the industry's history, shattering the previous record of \$86 billion set during the third and fourth quarters of 2001.



The Bureau of Economic Analysis will release Q2:2009 data on Wednesday, September 23, 2009. To receive these data via email, please visit:

https://service.govdelivery.com/service/multi_subscribe.html?code=USBEA.

Did You Know...?

- ...that the U.S. travel and tourism industry generates more than \$1.2 trillion in economic output for the U.S. economy each year
- ...that the United States welcomed nearly 58 million international visitors in 2008?
- ...that in 2008 international visitors spent nearly \$142 billion traveling the United States?
- ...that the United States enjoyed a record-setting \$29.4 billion travel and tourism trade surplus in 2008?
- ...that travel and tourism exports account for 26% of U.S. services exports and 8% of all U.S. exports?

Source: U.S. Department of Commerce, Bureau of Economic Analysis and the Office of Travel and Tourism Industries.
Data are seasonally adjusted at annual rates (annualized) unless otherwise stated.

