

Taking Account...

Travel spending turns down in second quarter

Real spending on travel and tourism continued to decline in the second quarter, according to statistics from the Bureau of Economic Analysis (BEA). The 1.4 percent decline, however, was not as steep as the 8.9 percent decline in the first quarter. By comparison, real gross domestic product (GDP) decreased 0.7 percent (third estimate) in the second quarter after decreasing 6.4 percent in the first quarter.

While spending for shopping and meals turned down, spending on passenger air transportation turned up significantly, rising 0.8 percent after decreasing 21.5 percent. Spending on domestic flights grew for the first time in six quarters. However, spending on international flights, which was influenced by concern about the H1N1 flu virus, continued to decline. In addition, spending on traveler accommodations fell just 1.7 percent after a 21.8 percent decline. The smaller decrease reflected improved occupancy rates at hotels and slower declines in business travel.

Travel and tourism prices also declined, falling 3.5 percent in the second quarter after falling 10.6 percent in the first quarter. The smaller decline reflected in part a decline in transportation prices, which fell 7.8 percent after falling 22.1 percent. Passenger airfare prices continued to decline steeply, dropping 28.9

percent after dropping 27.1 percent. Airlines continued to reduce prices to boost demand. Prices for accommodations decreased 6.8 percent after falling 15.1 percent in the previous quarter. Hotels cut prices for business and leisure travel.

Direct employment by the travel and tourism industry fell 4.1 percent in the second quarter after falling 7.2 percent in the first quarter. The second-quarter decline marked the fifth straight quarter of declining employment. Air transportation services employment fell 7.7 percent after falling 6.3 percent, and accommodation services employment fell 5.7 percent after falling 9.6 percent.

The statistics about travel and tourism come from BEA's 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.

For more information about the accounts, visit www.bea.gov/industry/index.htm.

BEA launches new resource for journalists

BEA has launched a "Newsroom" on its Web site to provide one-stop shopping for journalists seeking statistics and other information from BEA.

The new page features quick access to the most recent news releases and related information, charts, highlight pages, and FAQs.

The page also provides easy access to a wealth of other information, including interactive data, account overviews, a customer guide, and a glossary. Media contacts, subject matter experts, and information on interview requests are also available.

A handy chart that lists which federal agency is responsible for commonly used government statistics is also available.

To view the Newsroom, visit www.bea.gov/newsroom/index.htm.

FAQ provides answers to topical questions

BEA routinely updates its popular FAQ feature on its Web site with new items that discuss timely issues.

One newly posted item, for example, discusses how the federal Consumer Assistance to Recycle and Save Act of 2009 (also known as the Cash for Clunkers program) is reflected in the GDP accounts.

Another item discusses how the fixed assets accounts are affected by disasters such as Hurricane Katrina in light of recent changes in the way disasters are treated in the GDP accounts. Yet another discusses the core personal consumption expenditures price index and how it was recently redefined.

The FAQ feature is searchable by category and keyword. It is available at www.bea.gov by clicking on FAQ at the top, right-hand corner of the page.