

# U.S. Travel and Tourism Satellite Accounts for 2005–2008

By Eric S. Griffith and Steven L. Zemanek

THE TRAVEL and tourism industry—as measured by the real output of goods and services sold directly to visitors—shrank in 2008 for the first time in 7 years, according to the most recent statistics from the travel and tourism satellite accounts of the Bureau of Economic Analysis (BEA). Reflecting the broader economic downturn, real direct output decreased 1.8 percent in 2008, compared with increases of 1.1 percent in 2007 and 2.9 percent in 2006.<sup>1</sup> This was the first contraction since 2001. In addition, employment declined for the first time since 2003, decreasing less than 0.1 percent in 2008 after increasing 1.1 percent in 2007 and 1.4 percent in 2006.

Other highlights from the travel and tourism satellite accounts include the following:

- Real output slowed or turned down in 12 of 24 commodities in 2008, including both domestic and international passenger air transportation, gambling, and food and beverage services.
- Inbound tourism grew 14.2 percent in 2008, and outbound tourism grew 7.4 percent. As a result, net exports of travel and tourism increased to a record surplus of \$24.9 billion in 2008 from a \$15.8 billion surplus in 2007.
- Prices for tourism goods and services increased for the sixth consecutive year in 2008, increasing 5.2 percent after increasing 3.5 percent in 2007.

This update of the travel and tourism accounts revises statistics of output and employment for 2005–2008. It incorporates detailed data from the most recent annual input-output (I-O) tables of the U.S. economy, which are available through 2007, and summary statistics from the national income and product accounts (NIPAs) through 2008. The travel and tourism accounts are available on the BEA Web site at [www.bea.gov](http://www.bea.gov); see the box “Data Availability.”

The remainder of this article includes a discussion of trends in travel and tourism output and prices, the composition of tourism demand, and tourism value added and employment, followed by the core travel and tourism account tables.

1. All measures of travel and tourism activity not expressly identified as being in “real” terms are current-dollar estimates.

## Trends in Output and Prices

### Real output

**Contraction.** The 1.8 percent decline in real direct travel and tourism output in 2008 was widespread. The overall downturn reflected faster declines in domestic passenger air transportation (11.8 percent in 2008, compared with 1.8 percent in 2007), gasoline (5.7 percent, compared with 0.1 percent), and gambling (8.8 percent, compared with 0.4 percent) (table A). In addition, international passenger air transportation turned down, falling 0.3 percent in 2008 after rising 7.0 percent in 2007. Food and beverage services also turned down, falling 0.5 percent after rising 0.9 percent. These 2008 declines were offset partially by a sharp acceleration in domestic passenger water transportation (10.3 percent in 2008, compared with 1.0 percent in 2007) and an upturn in automotive repair services (0.4 percent, compared with a decline of 4.3 percent).

**Contributions.** Transportation contributed most to the 1.8 percent decline in real travel and tourism output, accounting for 1.48 percentage points of the over-

**Table A. Annual Growth in Real Output by Tourism Commodity in 2003–2008**

[Percentage change from preceding period]

Commodity	2003	2004	2005	2006	2007	2008
<b>All tourism goods and services</b> .....	<b>3.1</b>	<b>6.2</b>	<b>2.6</b>	<b>2.9</b>	<b>1.1</b>	<b>-1.8</b>
Traveler accommodations .....	3.4	3.7	2.8	4.1	3.1	1.6
Food and beverage services.....	4.4	5.5	5.2	3.6	0.9	-0.5
Transportation .....	2.9	9.3	5.3	3.6	2.2	-0.3
Passenger air transportation.....	3.3	10.6	1.3	0.6	1.6	-7.1
Domestic passenger air transportation services .....	6.8	7.8	-4.5	-3.6	-1.8	-11.8
International passenger air transportation services .....	-4.3	17.4	13.8	8.3	7.0	-0.3
All other transportation-related commodities .....	-0.8	4.1	2.5	2.2	0.4	-1.6
Passenger rail transportation services .....	3.2	8.5	-10.0	1.9	3.7	5.2
Passenger water transportation services .....	20.7	40.5	-1.5	5.6	1.0	10.3
Intercity bus services.....	15.3	-6.4	4.2	-11.0	-3.9	1.7
Intercity charter bus services.....	-3.7	-4.0	-4.8	6.7	-17.0	-3.3
Local bus and other transportation services.....	-2.6	1.5	12.1	4.6	5.7	6.9
Taxicab services .....	-9.0	-4.0	9.4	11.7	8.1	3.0
Scenic and sightseeing transportation services .....	-0.8	3.2	2.4	0.9	0.4	1.2
Automotive rental and leasing .....	-1.5	9.0	3.5	-0.3	1.9	-1.4
Other vehicle rental and leasing .....	1.6	15.5	17.8	3.3	2.1	-3.2
Automotive repair services .....	-12.1	-6.4	-3.1	-0.2	-4.3	0.4
Parking .....	12.0	0.4	2.3	-3.8	-6.0	-4.7
Highway tolls.....	8.1	-0.8	-7.8	-10.8	-5.9	-5.0
Travel arrangement and reservation services.....	4.9	2.6	5.6	1.5	1.5	1.7
Gasoline .....	-4.5	2.0	1.2	3.7	-0.1	-5.7
Recreation, entertainment, and shopping.....	4.7	7.3	1.5	3.1	0.0	-1.4
Recreation and entertainment .....	5.5	4.8	0.4	2.0	0.6	-2.9
Motion pictures and performing arts.....	2.3	3.5	-3.1	0.1	-1.7	-1.7
Spectator sports .....	2.6	6.1	-3.7	2.6	-6.1	0.2
Participant sports.....	1.3	1.0	1.4	3.3	2.7	1.4
Gambling .....	9.3	9.9	2.3	4.2	-0.4	-8.8
All other recreation and entertainment .....	5.6	-1.1	0.2	-2.2	5.7	4.0
Nondurable PCE commodities other than gasoline .....	5.3	9.9	3.1	4.7	-0.4	-1.0

PCE Personal consumption expenditures

all decrease in 2008 (tables B and C). Recreation, entertainment, and shopping accounted for 0.49 percentage point of the decline. While the growth in traveler accommodations decelerated, it was still positive and partially offset the sector's overall decline; it added 0.28 percentage point against the total decrease in 2008 (chart 1).

**Table B. Contributions to Growth in Real Tourism Output by Tourism Commodity in 2003–2008**  
(Percentage points)

Commodity	2003	2004	2005	2006	2007	2008
<b>All tourism goods and services</b> .....	<b>3.14</b>	<b>6.23</b>	<b>2.65</b>	<b>2.90</b>	<b>1.05</b>	<b>-1.77</b>
Traveler accommodations .....	0.58	0.64	0.48	0.71	0.55	0.28
Food and beverage services .....	0.73	0.93	0.86	0.60	0.15	-0.08
Transportation .....	0.33	2.49	0.76	0.62	0.34	-1.48
Passenger air transportation .....	0.50	1.57	0.19	0.09	0.23	-1.11
Domestic passenger air transportation services .....	0.69	0.82	-0.47	-0.35	-0.17	-1.07
International passenger air transportation services .....	-0.20	0.75	0.66	0.44	0.39	-0.03
All other transportation-related commodities .....	-0.16	0.93	0.57	0.52	0.11	-0.38
Passenger rail transportation services .....	0.01	0.02	-0.02	0.00	0.01	0.01
Passenger water transportation services .....	0.21	0.45	-0.02	0.07	0.01	0.13
Intercity bus services .....	0.04	-0.02	0.01	-0.03	-0.01	0.00
Intercity charter bus services .....	-0.01	-0.01	-0.01	0.01	-0.02	-0.00
Local bus and other transportation services .....	-0.01	0.01	0.06	0.02	0.03	0.04
Taxicab services .....	-0.06	-0.02	0.05	0.07	0.05	0.02
Scenic and sightseeing transportation services .....	-0.00	0.01	0.01	0.00	0.00	0.00
Automotive rental and leasing .....	-0.06	0.32	0.12	-0.01	0.06	-0.05
Other vehicle rental and leasing .....	0.00	0.01	0.01	0.00	0.00	-0.00
Automotive repair services .....	-0.30	-0.14	-0.06	-0.00	-0.07	0.01
Parking .....	0.04	0.00	0.01	-0.01	-0.02	-0.01
Highway tolls .....	0.01	-0.00	-0.01	-0.01	-0.01	-0.01
Travel arrangement and reservation services .....	0.28	0.15	0.31	0.08	0.08	0.09
Gasoline .....	-0.32	0.15	0.10	0.33	-0.01	-0.60
Recreation, entertainment, and shopping .....	1.50	2.17	0.54	0.97	0.01	-0.49
Recreation and entertainment .....	0.67	0.60	0.05	0.23	0.07	-0.34
Motion pictures and performing arts .....	0.05	0.07	-0.06	0.00	-0.03	-0.03
Spectator sports .....	0.02	0.06	-0.03	0.02	-0.05	0.00
Participant sports .....	0.02	0.02	0.03	0.06	0.05	0.02
Gambling .....	0.43	0.48	0.12	0.21	-0.02	-0.43
All other recreation and entertainment .....	0.15	-0.03	0.01	-0.05	0.13	0.10
Nondurable PCE commodities other than gasoline .....	0.83	1.57	0.49	0.73	-0.06	-0.15

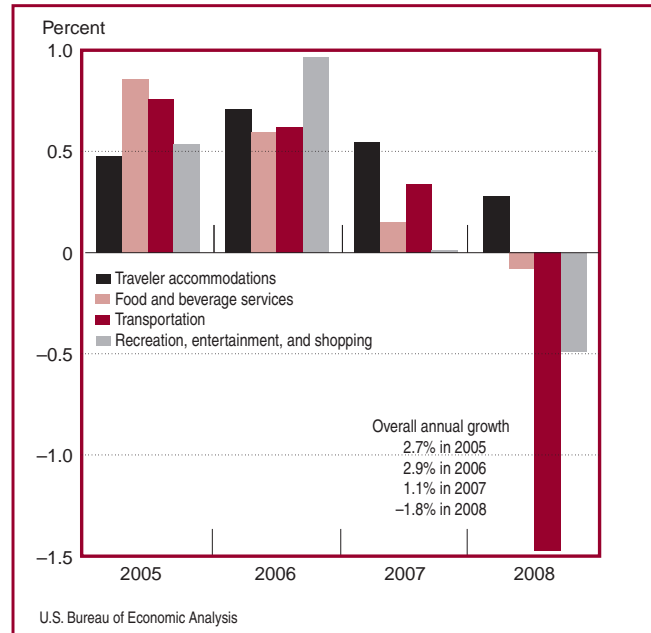
PCE Personal consumption expenditures

**Table C. Real Output by Tourism Commodity in 2003–2008**  
(Millions of chained (2000) dollars)

Commodity	2003	2004	2005	2006	2007	2008
<b>All tourism goods and services</b> .....	<b>541,831</b>	<b>575,591</b>	<b>590,822</b>	<b>607,934</b>	<b>614,340</b>	<b>603,487</b>
Traveler accommodations .....	93,952	97,381	100,081	104,186	107,426	109,119
Food and beverage services .....	86,680	91,458	96,194	99,678	100,587	100,108
Transportation .....	208,099	227,499	239,484	248,138	253,704	253,059
Passenger air transportation .....	89,903	99,440	100,747	101,330	102,959	95,606
Domestic passenger air transportation services .....	70,212	75,720	72,305	69,703	68,427	60,361
International passenger air transportation services .....	20,597	24,174	27,504	29,792	31,889	31,790
All other transportation-related commodities .....	120,837	125,758	128,851	131,695	132,281	130,131
Passenger rail transportation services .....	1,269	1,377	1,239	1,262	1,309	1,377
Passenger water transportation services .....	7,709	10,829	10,665	11,267	11,384	12,554
Intercity bus services .....	1,652	1,547	1,613	1,435	1,379	1,403
Intercity charter bus services .....	810	777	740	789	655	633
Local bus and other transportation services .....	2,658	2,698	3,023	3,162	3,342	3,573
Taxicab services .....	2,811	2,699	2,952	3,299	3,564	3,671
Scenic and sightseeing transportation services .....	2,016	2,081	2,130	2,149	2,158	2,184
Automotive rental and leasing .....	18,849	20,537	21,249	21,192	21,592	21,287
Other vehicle rental and leasing .....	475	548	646	668	682	660
Automotive repair services .....	10,768	10,074	9,761	9,739	9,320	9,360
Parking .....	1,608	1,614	1,652	1,590	1,494	1,424
Highway tolls .....	648	642	592	528	497	472
Travel arrangement and reservation services .....	33,307	34,169	36,074	36,601	37,150	37,785
Gasoline .....	36,705	37,429	37,885	39,282	39,253	37,001
Recreation, entertainment, and shopping .....	147,112	157,780	160,150	165,172	165,143	162,905
Recreation and entertainment .....	64,207	67,280	67,546	68,888	69,329	67,299
Motion pictures and performing arts .....	9,991	10,345	10,021	10,029	9,858	9,692
Spectator sports .....	4,503	4,777	4,598	4,718	4,431	4,442
Participant sports .....	9,788	9,890	10,032	10,363	10,643	10,795
Gambling .....	25,684	28,215	28,860	30,083	29,965	27,337
All other recreation and entertainment .....	14,258	14,095	14,123	13,810	14,599	15,179
Nondurable PCE commodities other than gasoline .....	85,616	94,132	97,046	101,650	101,257	100,277

PCE Personal consumption expenditures

**Chart 1. Contributions to Annual Growth in Real Tourism Output in 2005–2008**



## Prices

**Inflation.** The 5.2 percent increase in travel and tourism prices, the sixth consecutive annual increase, reflected an increase in prices for gasoline (16.6 percent in 2008, compared with 8.3 percent in 2007), domestic passenger air transportation services (9.7 percent, compared with 0.9 percent), international passenger air transportation (10.6 percent, compared with 4.5 percent), and automotive rental and leasing (8.1 percent, compared with 1.6 percent). The overall acceleration in price growth for the travel and tourism sector was partly offset by a sharp deceleration in the prices for traveler accommodations (0.2 percent in 2008, compared with 4.8 percent in 2007) and a downturn in the price for travel arrangement and reservation

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services (a 1.3 percent decline, compared with a 1.6 percent increase) (table D).

**Table D. Annual Growth in Prices for Tourism Commodities in 2003–2008**  
[Percentage change from preceding period]

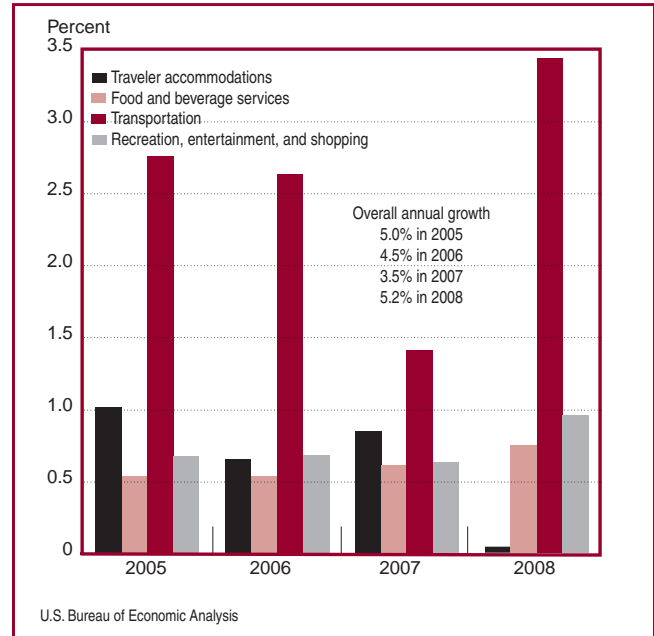
Commodity	2003	2004	2005	2006	2007	2008
<b>All tourism goods and services</b> .....	<b>2.8</b>	<b>3.5</b>	<b>5.0</b>	<b>4.5</b>	<b>3.5</b>	<b>5.2</b>
Traveler accommodations .....	1.6	5.7	5.9	3.7	4.8	0.2
Food and beverage services .....	2.1	3.1	3.1	3.1	3.7	4.5
Transportation .....	2.6	1.3	4.0	4.8	2.3	5.2
Passenger air transportation .....	3.4	-1.1	6.3	6.5	2.3	10.0
Domestic passenger air transportation services .....	2.8	-2.3	6.2	7.0	0.9	9.7
International passenger air transportation services .....	4.6	1.6	6.5	5.5	4.5	10.6
All other transportation-related commodities .....	5.6	7.2	8.0	7.3	4.5	8.4
Passenger rail transportation services .....	-7.5	-3.5	3.5	7.3	4.6	3.8
Passenger water transportation services .....	-8.0	-1.5	1.3	0.3	-0.1	-1.9
Intercity bus services .....	3.7	3.8	3.6	7.2	0.9	6.5
Intercity charter bus services .....	4.1	2.5	2.3	3.5	3.2	2.6
Local bus and other transportation services .....	5.0	4.5	4.6	3.9	2.5	4.1
Taxicab services .....	7.2	6.0	4.7	3.3	2.1	4.0
Scenic and sightseeing transportation services .....	4.1	2.5	2.3	3.5	3.2	2.5
Automotive rental and leasing .....	3.2	1.2	0.3	5.9	1.6	8.1
Other vehicle rental and leasing .....	8.3	7.6	-1.2	1.7	10.1	12.6
Automotive repair services .....	2.8	1.7	2.9	4.2	3.9	5.1
Parking .....	2.8	4.4	6.5	3.0	3.8	6.8
Highway tolls .....	2.2	8.4	12.4	11.0	5.8	13.3
Travel arrangement and reservation services .....	-0.3	3.7	-0.8	3.8	1.6	-1.3
Gasoline .....	16.7	18.0	22.4	12.4	8.3	16.6
Recreation, entertainment, and shopping .....	2.1	2.6	2.8	2.9	2.4	3.1
Recreation and entertainment .....	2.5	2.9	3.6	3.3	2.6	3.2
Motion pictures and performing arts .....	4.6	3.6	5.5	3.6	2.6	2.1
Spectator sports .....	1.8	4.8	6.3	3.7	5.0	5.6
Participant sports .....	1.3	2.1	2.2	3.0	1.3	2.6
Gambling .....	2.3	2.6	3.2	3.3	2.8	3.8
All other recreation and entertainment .....	2.5	2.8	2.9	3.2	2.4	2.4
Nondurable PCE commodities other than gasoline .....	0.5	1.7	1.5	1.8	2.1	3.9

PCE Personal consumption expenditures

**Contributions.** Transportation services accounted for 3.45 percentage points of the 5.2 percent growth in travel and tourism prices. Within transportation, growth in domestic air travel services accounted for 0.81 percentage point of the increase. International air travel services accounted for 0.65 percentage point of the overall increase. In addition, gasoline prices

accounted for 1.60 percentage points of the overall travel and tourism increase. Food and beverage services accounted for 0.75 percentage point of total price growth in 2008 (chart 2 and table E). Gasoline prices accounted for 30.7 percent of overall price growth (table F).

**Chart 2. Contributions to Annual Growth in the Chain-Type Price Index for Tourism Goods and Services in 2005–2008**



**Table E. Contributions to Annual Growth in the Chain-Type Price Indexes for Tourism Commodities in 2003–2008**  
[Percentage points]

Commodity	2003	2004	2005	2006	2007	2008
<b>All tourism goods and services</b> .....	<b>2.77</b>	<b>3.55</b>	<b>4.97</b>	<b>4.49</b>	<b>3.50</b>	<b>5.21</b>
Traveler accommodations .....	0.28	0.98	1.01	0.65	0.85	0.04
Food and beverage services .....	0.35	0.51	0.53	0.53	0.61	0.75
Transportation .....	1.75	1.42	2.76	2.64	1.41	3.45
Passenger air transportation .....	0.50	-0.17	0.93	0.95	0.35	1.45
Domestic passenger air transportation services .....	0.30	-0.24	0.61	0.65	0.08	0.81
International passenger air transportation services .....	0.21	0.07	0.32	0.30	0.26	0.65
All other transportation-related commodities .....	1.25	1.59	1.82	1.69	1.06	2.00
Passenger rail transportation services .....	-0.02	-0.01	0.01	0.01	0.01	0.01
Passenger water transportation services .....	-0.09	-0.02	0.02	0.00	-0.00	-0.03
Intercity bus services .....	0.01	0.01	0.01	0.02	0.00	0.02
Intercity charter bus services .....	0.01	0.00	0.00	0.00	0.00	0.00
Local bus and other transportation services .....	0.03	0.02	0.02	0.01	0.02	0.02
Taxicab services .....	0.04	0.03	0.03	0.02	0.01	0.03
Scenic and sightseeing transportation services .....	0.02	0.01	0.01	0.01	0.01	0.01
Automotive rental and leasing .....	0.12	0.05	0.01	0.20	0.05	0.28
Other vehicle rental and leasing .....	0.01	0.01	-0.00	0.00	0.01	0.01
Automotive repair services .....	0.07	0.03	0.05	0.07	0.06	0.08
Parking .....	0.01	0.01	0.02	0.01	0.01	0.02
Highway tolls .....	0.00	0.01	0.01	0.01	0.01	0.01
Travel arrangement and reservation services .....	-0.02	0.21	-0.04	0.21	0.09	-0.07
Gasoline .....	1.07	1.22	1.67	1.09	0.78	1.60
Recreation, entertainment, and shopping .....	0.39	0.64	0.67	0.68	0.63	0.96
Recreation and entertainment .....	0.31	0.36	0.43	0.39	0.31	0.37
Motion pictures and performing arts .....	0.09	0.07	0.10	0.07	0.05	0.04
Spectator sports .....	0.02	0.04	0.06	0.03	0.04	0.05
Participant sports .....	0.03	0.04	0.04	0.05	0.02	0.04
Gambling .....	0.11	0.13	0.16	0.16	0.14	0.18
All other recreation and entertainment .....	0.07	0.08	0.07	0.08	0.06	0.06
Nondurable PCE commodities other than gasoline .....	0.08	0.28	0.24	0.29	0.32	0.60

PCE Personal consumption expenditures

**Table F. Chain-Type Price Indexes for Tourism Commodities in 2003–2008**  
[Index numbers, 2000=100]

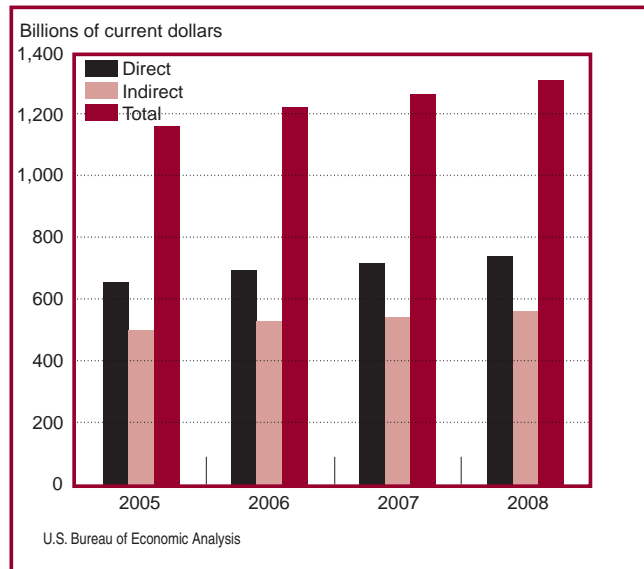
Commodity	2003	2004	2005	2006	2007	2008
<b>All tourism goods and services</b> .....	<b>102.8</b>	<b>106.4</b>	<b>111.7</b>	<b>116.7</b>	<b>120.8</b>	<b>127.1</b>
Traveler accommodations .....	102.8	108.7	115.0	119.3	125.0	125.3
Food and beverage services .....	108.2	111.5	115.0	118.6	123.0	128.4
Transportation .....	100.2	101.5	105.6	110.7	113.2	119.0
Passenger air transportation .....	93.2	92.2	97.9	104.2	106.6	117.3
Domestic passenger air transportation services .....	84.8	82.9	88.1	94.2	95.1	104.3
International passenger air transportation services .....	117.5	119.3	127.2	134.1	140.2	155.0
All other transportation-related commodities .....	103.3	110.7	119.6	128.3	134.1	145.3
Passenger rail transportation services .....	99.0	95.5	98.9	106.1	111.0	115.3
Passenger water transportation services .....	81.4	80.2	81.2	81.4	81.3	79.8
Intercity bus services .....	110.5	114.7	118.9	127.4	128.5	136.8
Intercity charter bus services .....	111.4	114.2	116.9	120.9	124.7	128.0
Local bus and other transportation services .....	108.4	113.3	118.5	123.1	126.1	131.3
Taxicab services .....	112.8	119.6	125.2	129.4	132.0	137.4
Scenic and sightseeing transportation services .....	111.5	114.2	116.9	120.9	124.8	128.0
Automotive rental and leasing .....	107.8	109.1	109.4	115.8	117.7	127.3
Other vehicle rental and leasing .....	109.7	118.0	116.5	118.5	130.5	146.9
Automotive repair services .....	110.4	112.3	115.5	120.4	125.1	131.5
Parking .....	111.3	116.2	123.8	127.4	132.3	141.3
Highway tolls .....	100.1	108.5	122.0	135.3	143.2	162.2
Travel arrangement and reservation services .....	97.8	101.4	100.6	104.4	106.1	104.8
Gasoline .....	105.1	124.0	151.7	170.6	184.7	215.3
Recreation, entertainment, and shopping .....	107.4	110.2	113.3	116.6	119.4	123.1
Recreation and entertainment .....	108.6	111.8	115.7	119.6	122.7	126.6
Motion pictures and performing arts .....	112.3	116.4	122.8	127.2	130.5	133.2
Spectator sports .....	112.5	117.8	125.3	129.9	136.4	144.0
Participant sports .....	107.5	109.8	112.2	115.5	117.0	120.1
Gambling .....	106.8	109.6	113.1	116.7	120.0	124.6
All other recreation and entertainment .....	108.6	111.7	115.0	118.7	121.6	124.5
Nondurable PCE commodities other than gasoline .....	103.1	104.9	106.4	108.4	110.7	115.0

PCE Personal consumption expenditures

**Total output**

Total tourism-related output increased to \$1.35 trillion in 2008, up 3.6 percent from \$1.31 trillion in 2007. Total output consisted of \$767.0 billion in direct tourism output and \$587.6 billion in indirect tourism output. The 1.77 ratio of total output to direct output in 2008 means that every dollar of direct tourism output required an additional 77 cents of indirect tourism output (chart 3).

**Chart 3. Total Tourism-Related Output in 2005–2008**



Direct tourism output includes goods and services sold directly to visitors, such as passenger air travel. Indirect tourism output includes sales of all goods and services used to produce that direct output, such as jet fuel to fly the plane.

**The Composition of Tourism Demand**

The travel and tourism accounts include estimates of the composition of tourism demand by type of visitor. They distinguish expenditures of U.S. residents traveling abroad from those of U.S. residents and nonresidents traveling within the United States for leisure, business, or government purposes. The balance of tourism trade is derived by subtracting expenditures on foreign travel by U.S. residents (an import of goods and services to outbound travelers) from expenditures on U.S. travel by nonresidents (an export of goods and services to inbound travelers).

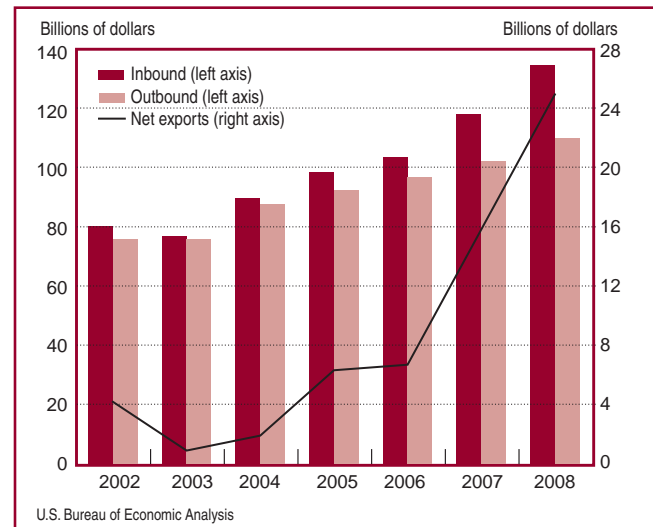
**International travel and tourism**

Current-dollar international travel (the sum of inbound and outbound travel) grew 11.0 percent in 2008 after growing 10.0 percent in 2007.

**Inbound travel and tourism.** This consists of travel-related expenditures and international transportation purchases from U.S. providers by nonresidents

traveling in the United States. This activity grew 14.2 percent to \$134.5 billion (chart 4). Inbound activity has been strong in recent years, increasing an average of 12.0 percent every year since 2004. In that same time period, outbound travel increased an average of 7.7 percent.

**Chart 4. U.S. Trade in Tourism in 2002–2008**



Accordingly, net exports grew an average of 110 percent per year from \$1.9 billion in 2004 to \$24.9 billion in 2008. The most recent spike in net exports of travel and tourism stemmed in part from the dollar’s depreciation compared to other currencies in the first half of 2008, making travel to the United States by nonresidents less expensive.<sup>2</sup>

**Outbound travel and tourism.** This consists of travel-related expenditures and international transportation purchases from foreign providers by U.S. residents traveling abroad. In 2008, outbound activity grew 7.4 percent to \$109.6 billion. As a result, net exports of travel and tourism increased to \$24.9 billion in 2008 from \$15.8 billion in 2007 (table G).

**Table G. U.S. International Travel and Tourism in 2003–2008**

[Billions of dollars]

	2003	2004	2005	2006	2007	2008
<b>Total international travel and tourism.....</b>	<b>152.3</b>	<b>177.2</b>	<b>190.7</b>	<b>199.9</b>	<b>219.9</b>	<b>244.1</b>
Inbound travel and tourism .....	76.6	89.6	98.5	103.3	117.8	134.5
Outbound travel and tourism.....	75.7	87.6	92.2	96.6	102.1	109.6
Net exports of travel and tourism.....	0.9	1.9	6.3	6.7	15.8	24.9

**Internal travel and tourism.** This consists of travel and tourism within the borders of the United States—the sum of domestic activity and inbound

2. See Douglas B. Weinberg, Erin M. Whitaker, and Gregory A. Tenentes, “U.S. International Transactions,” SURVEY OF CURRENT BUSINESS 89 Vol. 4 (April 2009): 12–53.

activity.<sup>3</sup> Inbound travel and tourism’s share of internal tourism peaked in 2000, accounting for 15.3 percent of the total. After declining to 11.7 percent in 2003, inbound tourism rebounded slightly, accounting for 12.4 percent of internal tourism in 2006 and 13.8 percent in 2007 (table H and chart 5).

**National tourism.** This consists of travel and tourism by U.S. residents, both within the United States and abroad—the sum of domestic tourism and outbound tourism. The calculation of outbound tourism is modified here to include all expenditures on international transportation, whether purchased from foreign or U.S. providers. This is to create consistency between expenditures by U.S. residents traveling within the United States (domestic tourism) and expenditures by U.S. residents traveling abroad (outbound tourism). Outbound tourism’s share of national tourism in-

creased to 18.2 percent in 2007, matching the peak in 2000 (table I and chart 6).

**Table I. National Travel and Tourism in the United States and Abroad in 2001–2007**

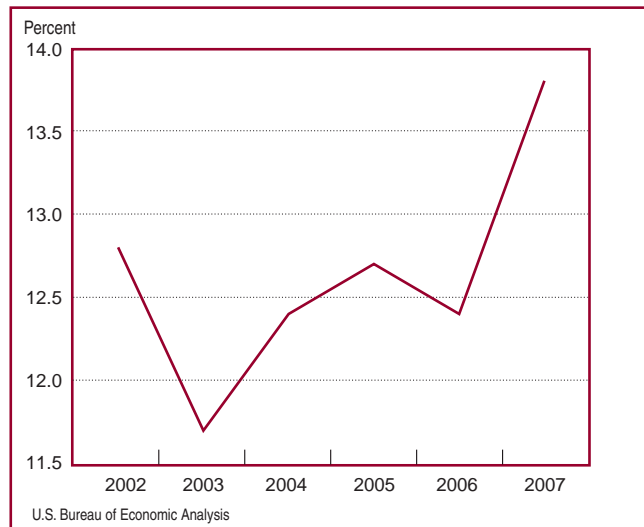
Year	Millions of dollars			Percent	
	In the United States	Abroad (outbound)	Total	In the United States	Abroad (outbound)
2001.....	436,526	93,911	530,437	82.3	17.7
2002.....	443,862	90,224	534,085	83.1	16.9
2003.....	478,332	91,872	570,204	83.9	16.1
2004.....	518,231	107,909	626,140	82.8	17.2
2005.....	552,335	117,073	669,408	82.5	17.5
2006.....	593,930	125,614	719,544	82.5	17.5
2007.....	594,116	131,923	726,039	81.8	18.2

3. As a component of internal tourism, the calculation of inbound tourism is modified to exclude all expenditures on international transportation, whether purchased from foreign or U.S. providers. This makes possible an equally defined comparison between expenditures by U.S. residents traveling within the U.S. (domestic tourism) and expenditures by nonresidents traveling within the U.S. (inbound tourism).

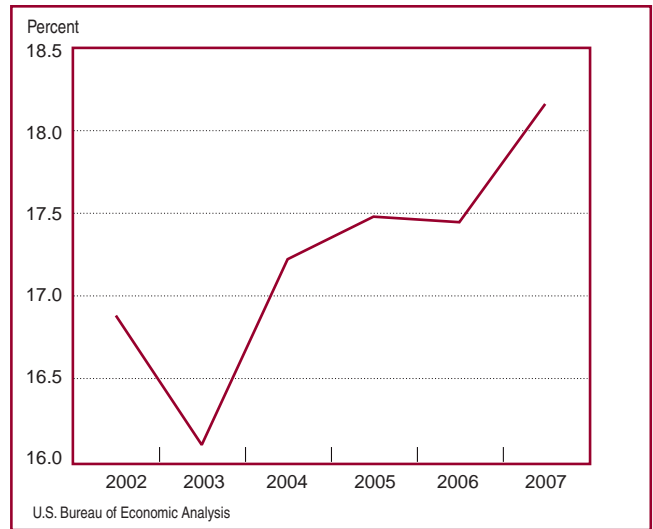
**Table H. Internal Travel and Tourism in the United States by Residents and Nonresidents in 2001–2007**

Year	Millions of dollars			Share	
	Residents	Nonresidents (inbound)	Total	Residents	Nonresidents (inbound)
2001.....	436,526	70,737	507,263	86.1	13.9
2002.....	443,862	65,383	509,244	87.2	12.8
2003.....	478,332	63,245	541,577	88.3	11.7
2004.....	518,231	73,362	591,593	87.6	12.4
2005.....	552,335	80,347	632,682	87.3	12.7
2006.....	593,930	83,988	677,918	87.6	12.4
2007.....	594,116	94,957	689,073	86.2	13.8

**Chart 5. Inbound Tourism’s Share of Internal Travel and Tourism in 2002–2007**



**Chart 6. Outbound Tourism’s Share of National Travel and Tourism in 2002–2007**



**Domestic travel and tourism**

Domestic tourism includes travel and tourism undertaken by U.S. residents within the borders of the United States. Puerto Rico and the U.S. Virgin Islands are outside of this defined boundary and are classified in “international travel.” The travel and tourism accounts break out all expenditures on domestic travel and tourism by type of visitor: resident households, business, and government (table 3). Business’s share of domestic travel and tourism increased for the fifth

**Data Availability**

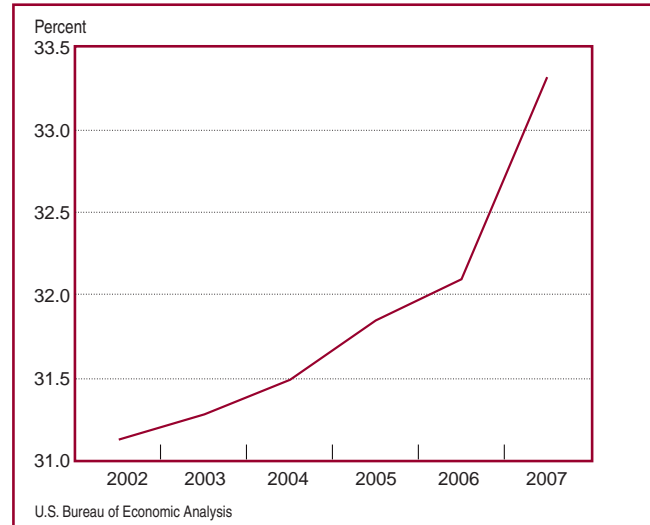
The detailed annual statistics of tourism activity for 2007 are presented in eight tables at the end of this article. The detailed annual statistics for 1998–2007, statistics of output and employment for 2008, and quarterly statistics of output and employment are available on BEA’s Web site at [www.bea.gov](http://www.bea.gov) under “Industry” and “Satellite Accounts.”

straight year to reach 33.3 percent in 2007, the most recent year for which data are available. Government expenditures made up 5.1 percent of domestic travel and tourism in 2007, holding relatively steady from previous years (table J and chart 7).

**Table J. Domestic Travel and Tourism by Type of Visitor in 2001–2007**

Year	Millions of dollars				Percent		
	Resident households	Business	Government	Total	Resident households	Business	Government
2001 .....	278,072	139,331	24,281	441,683	63.0	31.5	5.5
2002 .....	283,455	139,679	25,715	448,849	63.2	31.1	5.7
2003 .....	307,202	151,296	25,291	483,790	63.5	31.3	5.2
2004 .....	332,975	165,601	27,433	526,009	63.3	31.5	5.2
2005 .....	354,122	178,842	28,659	561,624	63.1	31.8	5.1
2006 .....	379,666	193,695	30,182	603,543	62.9	32.1	5.0
2007 .....	371,156	200,724	30,579	602,459	61.6	33.3	5.1

**Chart 7. Business Travel's Share of Domestic Travel and Tourism in 2002–2007**



### Key Terms

The following key terms are used to describe the travel and tourism satellite accounts.

**Domestic tourism.** Travel-related expenditures by U.S. residents traveling within the United States. It comprises travel by resident households, business travel, and travel by government employees.

**Inbound tourism.** Travel-related expenditures by non-residents traveling within the United States and expenditures by nonresidents on international transportation purchased from U.S. providers. These expenditures exclude expenditures for travel to study in the United States and for medical reasons.<sup>1</sup>

**Internal tourism.** The sum of domestic tourism expenditures and inbound tourism expenditures (net of all international transportation expenditures).

**National tourism.** The sum of domestic tourism demand and outbound tourism demand (including all international transportation expenditures).

**Outbound tourism.** Travel-related expenditures by U.S. residents traveling abroad and expenditures by U.S. residents on international transportation purchased from foreign providers. (See footnote 1.)

**Tourism commodities.** Goods and services that are typically purchased by visitors, such as airline passenger transportation, hotel accommodations, and meals.<sup>2</sup>

1. In the travel and tourism satellite accounts, inbound and outbound visitors are not differentiated by type of visitor, because the data to prepare these estimates are not available.

2. The classification of tourism commodities in the travel and tourism satellite accounts is based on a list of primary activities of visitors that was developed from recommendations by the World Tourism Organization, by the Organisation for Economic Co-operation and Development, and from various surveys of U.S. visitors.

**Tourism employment.** Total tourism-related employment consists of direct tourism employment plus indirect tourism employment. Direct tourism employment comprises all jobs where the workers are engaged in the production of direct tourism output (for example, hotel staff and airline pilots), and indirect tourism employment comprises all jobs where the workers are engaged in the production of indirect tourism output (for example, workers producing hotel toiletries and delivering fuel to airlines).

**Tourism output.** Total tourism-related output consists of direct tourism output and indirect tourism output. Direct tourism output comprises all domestically produced goods and services purchased by travelers (for example, traveler accommodations and passenger air transportation), and indirect tourism output comprises all output required to support the production of direct tourism output (for example, toiletries for hotel guests and fuel for airplanes).

**Usual environment.** The area of normal, everyday activities within 50–100 miles of home.<sup>3</sup>

**Visitor.** A person who travels outside of his or her usual environment for less than a year or who stays overnight in a hotel or motel. The visitor may travel for pleasure or business (private sector or government). Visitors exclude travelers who expect to be compensated at the location of their visit (such as migrant workers, persons traveling to new assignments, and diplomatic and military personnel traveling to and from their duty stations and their home countries).

3. The usual environment depends on the availability of source data.

## Tourism Value Added and Employment

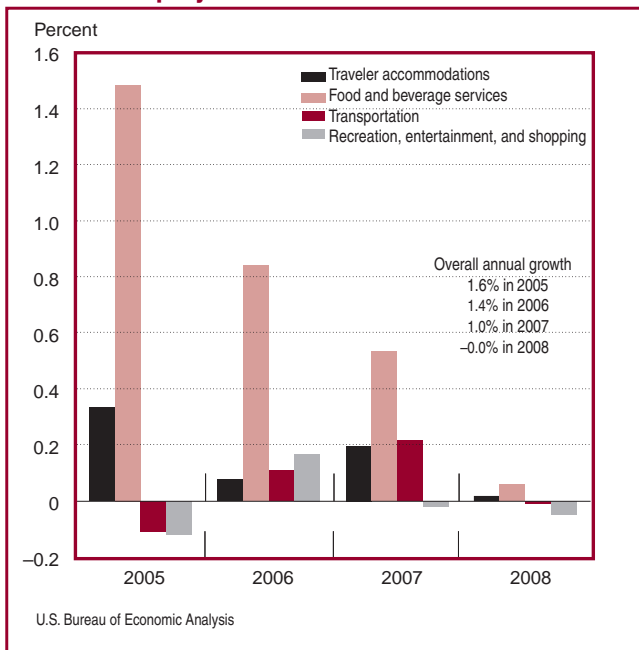
### Value added

A sector's value added measures its contribution to gross domestic product (GDP). In 2007 (the most recent year for which data are available), tourism's share of GDP was 2.7 percent (table K). Travel and tourism's share of GDP continues to account for a larger share of GDP than industries such as utilities, computer and electronic products manufacturing, or broadcasting and telecommunications.

**Table K. Travel and Tourism as a Share of Gross Domestic Product in 2001–2007**

Year	Billions of dollars		Percent
	Gross domestic product (GDP)	Tourism value added	Tourism value added as share of GDP
2001 .....	10,128	283	2.80
2002 .....	10,470	285	2.72
2003 .....	10,961	298	2.72
2004 .....	11,686	317	2.71
2005 .....	12,422	331	2.66
2006 .....	13,178	352	2.67
2007 .....	13,808	370	2.68

**Chart 8. Contributions to Annual Growth in Direct Tourism Employment in 2005–2008**



### Direct employment

Direct tourism employment includes jobs that involve producing goods and services that are directly sold to visitors. Airline pilots, hotel clerks, and travel agents are examples of such employees. Overall, direct employment decreased less than 0.1 percent in 2008. A decline in employment for the shopping industry was the largest contributor to the overall decline in employment growth, contributing 18 percent to the overall decline. Despite the decline in 2008, a few of the industries contributed positively. Food services and drinking places contributed 0.06 percentage point to growth, and traveler accommodations contributed 0.02 percentage point to growth (table L and chart 8). Almost all industries shed employment or cut back on

**Table L. Contributions to Growth in Employment by Tourism in 2003–2008**

[Percentage points]

Industry	2003	2004	2005	2006	2007	2008
<b>All tourism industries .....</b>	<b>-0.07</b>	<b>1.81</b>	<b>1.61</b>	<b>1.39</b>	<b>1.05</b>	<b>-0.01</b>
Traveler accommodations .....	-0.00	0.21	0.34	0.08	0.20	0.02
Nonfarm residential tenant occupied permanent site .....	-0.00	0.01	-0.00	0.01	0.02	-0.00
Food services and drinking places .....	1.08	1.43	1.50	0.85	0.54	0.06
Transportation .....	-1.33	-0.30	-0.11	0.11	0.22	-0.01
Air transportation services .....	-0.74	-0.11	-0.25	-0.10	0.08	0.04
All other transportation-related industries .....	-0.59	-0.19	0.14	0.21	0.15	-0.05
Rail transportation services .....	0.01	-0.05	-0.00	-0.02	0.03	0.01
Water transportation services .....	0.01	0.11	0.03	0.06	0.02	0.01
Interurban bus transportation .....	-0.02	-0.01	-0.00	-0.01	-0.01	0.00
Interurban charter bus transportation .....	-0.02	0.02	-0.01	-0.01	0.01	0.01
Urban transit systems and other transportation .....	0.02	0.02	0.15	0.09	0.10	0.03
Taxi service .....	-0.08	-0.01	0.06	0.07	0.07	0.02
Scenic and sightseeing transportation services .....	-0.01	0.01	0.00	-0.00	0.01	0.00
Automotive equipment rental and leasing .....	-0.07	-0.02	0.01	-0.01	-0.06	-0.02
Automotive repair services .....	-0.15	-0.08	-0.04	0.01	-0.02	-0.03
Parking lots and garages .....	0.03	0.01	0.01	0.00	0.01	0.01
Toll highways .....	0.01	-0.00	0.00	-0.00	0.00	0.00
Travel arrangement and reservation services .....	-0.28	-0.16	-0.06	-0.00	0.00	-0.06
Petroleum refineries .....	-0.00	-0.01	-0.00	0.00	0.00	0.01
Gasoline service stations .....	-0.04	-0.02	-0.01	0.04	-0.01	-0.03
Recreation, entertainment, and shopping .....	0.20	0.43	-0.12	0.17	-0.02	-0.05
Recreation and entertainment .....	0.18	0.29	0.19	0.11	0.24	0.13
Motion pictures and performing arts .....	0.01	-0.01	-0.03	-0.02	-0.01	-0.01
Spectator sports .....	0.03	0.07	0.04	0.03	-0.02	0.02
Participant sports .....	0.10	0.15	0.10	0.11	0.10	0.05
Gambling .....	0.01	0.10	0.09	0.04	0.11	0.05
All other recreation and entertainment .....	0.03	-0.01	-0.01	-0.04	0.06	0.03
Shopping .....	0.02	0.14	-0.31	0.06	-0.26	-0.18
Industries producing nondurable PCE commodities, excluding petroleum refineries .....	-0.08	0.00	-0.15	-0.03	-0.10	-0.06
Retail trade services, excluding gasoline service stations .....	0.11	0.14	-0.15	0.09	-0.16	-0.12
All other industries .....	-0.02	0.03	-0.00	0.17	0.08	-0.03
All other industries, excluding wholesale trade and transportation services .....	-0.02	-0.02	0.04	0.03	0.04	0.00
Wholesale trade and transportation services .....	0.00	0.05	-0.04	0.14	0.03	-0.03

PCE Personal consumption expenditures

hiring new employees (table M). Previously published estimates for 2005–2007 are shown in table N.

### Total employment

Total tourism-related employment (the sum of direct and indirect jobs) decreased to 8.6 million jobs in 2008, down from 8.6 million jobs in 2007. The 8.6 mil-

lion jobs consisted of 5.9 million direct tourism jobs and 2.7 million indirect tourism jobs (chart 9). While direct tourism employment includes jobs that produce direct tourism output, such as airline pilots, indirect tourism employment is comprised of jobs that produce indirect tourism output, such as refinery workers producing jet fuel. The most recent data indicate that every direct tourism job generates an additional 46 percent of a job in indirect tourism employment (table 7).

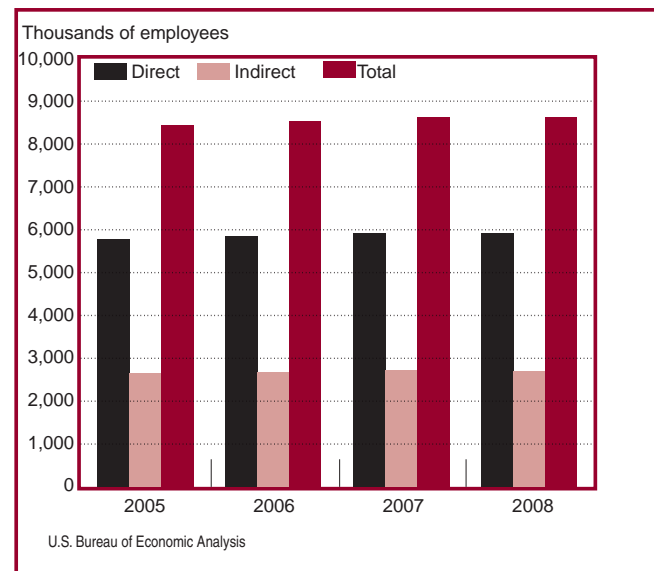
**Table M. Direct Employment by Tourism Industry in 2003–2008**

[Thousands]

Industry	2003	2004	2005	2006	2007	2008
<b>All tourism industries</b> .....	<b>5,579</b>	<b>5,679</b>	<b>5,771</b>	<b>5,851</b>	<b>5,912</b>	<b>5,912</b>
Traveler accommodations.....	1,319	1,331	1,350	1,354	1,366	1,367
Nonfarm residential tenant occupied permanent site.....	9	9	9	10	11	11
Food services and drinking places.....	1,697	1,777	1,862	1,911	1,943	1,947
Transportation.....	1,134	1,117	1,110	1,117	1,130	1,129
Air transportation services.....	473	467	453	447	452	454
All other transportation-related industries.....	660	650	658	669	678	675
Rail transportation services.....	12	10	10	8	10	10
Water transportation services.....	28	34	36	39	40	41
Interurban bus transportation.....	24	23	23	22	22	22
Interurban charter bus transportation.....	20	21	21	20	20	21
Urban transit systems and other transportation.....	48	49	58	63	69	71
Taxi service.....	44	44	47	51	55	56
Scenic and sightseeing transportation services.....	18	18	18	18	19	19
Automotive equipment rental and leasing.....	100	98	99	99	95	94
Automotive repair services.....	53	48	46	46	45	43
Parking lots and garages.....	13	14	14	14	15	15
Toll highways.....	5	5	5	5	5	5
Travel arrangement and reservation services.....	210	202	198	198	198	194
Petroleum refineries.....	8	7	7	7	8	8
Gasoline service stations.....	78	77	77	79	78	77
Recreation, entertainment, and shopping.....	1,173	1,197	1,191	1,200	1,199	1,196
Recreation and entertainment.....	603	620	630	637	651	659
Motion pictures and performing arts.....	33	33	31	30	30	29
Spectator sports.....	58	62	64	66	65	66
Participant sports.....	216	224	229	235	241	244
Gambling.....	170	175	180	182	189	192
All other recreation and entertainment.....	126	126	125	123	126	128
Shopping.....	570	578	560	564	548	538
Industries producing nondurable PCE commodities, excluding petroleum refineries.....	169	169	161	159	153	150
Retail trade services, excluding gasoline service stations.....	401	408	400	405	395	388
All other industries.....	247	249	249	259	263	262
All other industries, excluding wholesale trade and transportation services.....	79	77	80	81	84	84
Wholesale trade and transportation services.....	169	171	169	178	180	178

PCE Personal consumption expenditures

**Chart 9. Total Tourism-Related Employment in 2005–2008**



**Table N. Revisions to Real Growth in Direct Tourism Output and Employment**

[Percent change]

Commodity group	Direct Tourism Output											
	2005			2006			2007			2008		
	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision
<b>All tourism commodities</b> .....	<b>2.9</b>	<b>2.6</b>	<b>-0.3</b>	<b>3.1</b>	<b>2.9</b>	<b>-0.2</b>	<b>2.0</b>	<b>1.1</b>	<b>-0.9</b>	<b>-0.4</b>	<b>-1.8</b>	<b>-1.3</b>
Traveler accommodations.....	1.8	2.8	0.9	3.8	4.1	0.4	1.2	3.1	1.9	1.0	1.6	0.6
Passenger air transportation.....	2.7	1.3	-1.3	2.6	0.6	-2.0	2.6	1.6	-1.0	-2.7	-7.1	-4.5
All other transportation-related commodities.....	3.9	2.5	-1.4	2.8	2.2	-0.6	1.8	0.4	-1.3	0.5	-1.6	-2.1
Food services and drinking places.....	4.5	5.2	0.7	3.2	3.6	0.5	1.7	0.9	-0.8	-0.2	-0.5	-0.3
Recreation and entertainment.....	1.6	1.5	-0.1	1.6	3.1	1.6	1.8	0.0	-1.8	-2.3	-1.4	1.0
Shopping (retailers).....	2.7	3.1	0.4	5.0	4.7	-0.2	3.2	-0.4	-3.6	-0.1	-1.0	-0.8

Industry group	Direct Tourism Employment											
	2005			2006			2007			2008		
	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Initial	Revision
<b>All tourism industries</b> .....	<b>1.0</b>	<b>1.6</b>	<b>0.6</b>	<b>0.6</b>	<b>1.4</b>	<b>0.8</b>	<b>1.7</b>	<b>1.0</b>	<b>-0.6</b>	<b>n.a.</b>	<b>0.0</b>	<b>n.a.</b>
Traveler accommodations.....	0.9	1.4	0.5	0.3	0.3	0.1	1.5	0.9	-0.6	n.a.	0.1	n.a.
Air transportation services.....	-3.6	-3.0	0.6	-1.0	-1.2	-0.3	1.9	1.0	-0.9	n.a.	0.6	n.a.
All other transportation-related industries.....	1.3	1.2	-0.1	0.8	1.8	1.0	1.0	1.3	0.2	n.a.	-0.4	n.a.
Food services and drinking places.....	4.0	4.8	0.8	1.2	2.6	1.4	2.1	1.7	-0.5	n.a.	0.2	n.a.
Recreation and entertainment.....	0.7	1.7	1.0	-1.0	1.0	2.0	2.5	2.2	-0.3	n.a.	1.2	n.a.
Shopping (retailers).....	-4.0	-3.0	1.0	0.2	0.6	0.4	0.5	-2.7	-3.2	n.a.	-1.9	n.a.
All other industries.....	1.0	0.0	-1.0	4.5	4.0	-0.5	1.2	1.7	0.5	n.a.	-0.7	n.a.

n.a. Not applicable

Tables 1 through 8 follow.