

Introducing the Outdoor Recreation Satellite Account

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Developing Economic Statistics for the U.S. Outdoor Recreation Economy

The Bureau of Economic Analysis (BEA), part of the U.S. Department of Commerce, produces official macroeconomic and industry statistics for the U.S. economy. Through a collaborative effort with outdoor recreation economists, industry experts, and multiple government agencies, the BEA recently released the Outdoor Recreation Satellite Account (ORSA), a set of new statistics quantifying the U.S. outdoor recreation economy for 2012-2016. For the first time, the ORSA provides an estimate of the outdoor recreation economy's contribution to current dollar gross domestic product (GDP), plus gross output, compensation, and employment by industry statistics.

The ORSA was built using BEA's comprehensive supply-use tables, which provide insight into the internal workings of the U.S. economy and detail the contribution of specific industries and commodities to GDP. The data detail the flows of goods and services purchased by each industry, the incomes earned from production in each industry, and the distribution of sales for each commodity. In practice, the ORSA is a rearrangement of the current data to isolate outdoor recreation spending and production.

The term "outdoor recreation" can span many activities, from traditional activities like camping and hiking to more casual outdoor activities like gardening and outdoor festivals. To meet the diverse needs of data users, the ORSA was designed to capture both the conventional and comprehensive conception of outdoor recreation. The conventional viewpoint reflects more traditional outdoor recreation activities, such as hunting, hiking, camping, and fishing. More formally, conventional outdoor recreation is defined by BEA as "all recreational activities undertaken for pleasure that generally involve some level of intentional physical exertion and occur in nature-based environments outdoors." The comprehensive definition attempts to encompass the broader viewpoint of outdoor recreation and is defined by BEA as "all recreational activities undertaken for pleasure that occur outdoors." BEA staff worked closely with outdoor recreation experts from academia, government, and private industry to develop these definitions to serve as a foundation for the ORSA. These definitions also reflect public input received by way of a Federal Register Notice, a public email address, and multiple BEA blog posts directly soliciting feedback. The definitions allow for new activities that may emerge in the future to be included in any forthcoming iterations of the ORSA.

The goods and services ultimately included as part of the ORSA were chosen from BEA's comprehensive list of nearly 5,000 categories of goods and services. The commodities chosen as in-scope to the outdoor recreation economy reflect research and reports about the outdoor recreation economy as well as feedback from outdoor recreation economists and experts in the private sector, academia, and federal agencies that serve as stewards of public lands and waterways. The chosen commodities fell into two categories: (1) core goods and services purchased directly for outdoor recreation and (2) supporting goods and services that provide access to outdoor recreation. The core category includes gear, equipment, fuel, concessions,

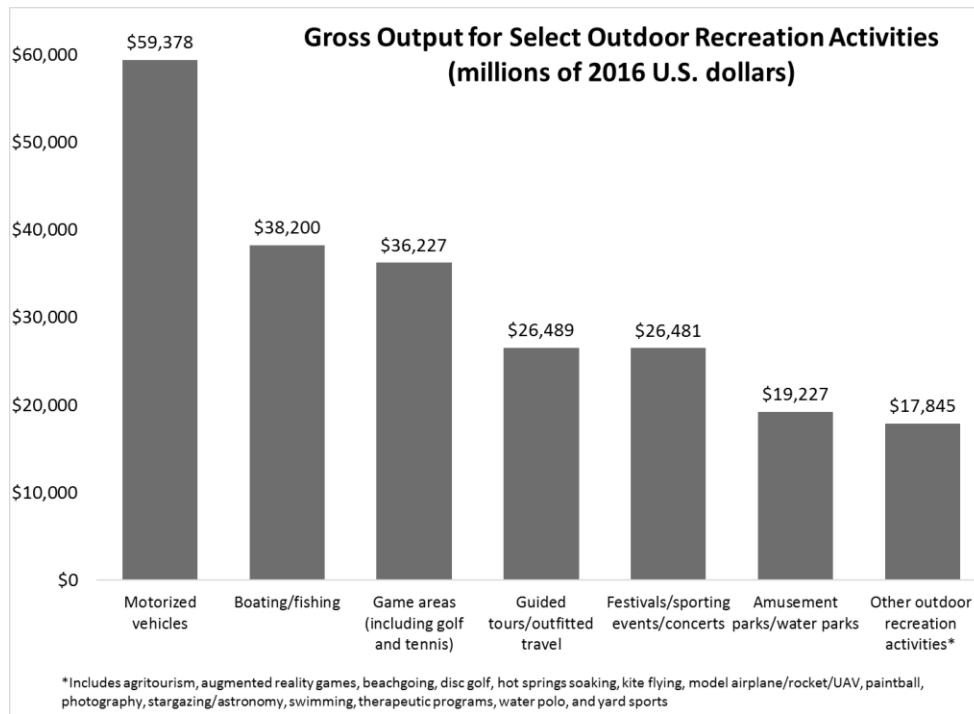
maintenance, repair, and fees related to outdoor recreation activities. The supporting category includes trips and travel, construction, and government expenditures.

Gross output by industry and GDP (value added) by industry are both published as part of BEA's outdoor recreation satellite account, and both sets of statistics provide important insights into an industry's contribution to the overall economy. Gross output of an industry is the market value of the goods and services produced by an industry, including commodity taxes. The components of gross output include sales or receipts, other operating income, commodity taxes, and inventory change. Gross output differs from value added, which measures the contribution of the industry's labor and capital to its gross output. Value added is also defined as the difference between gross output and intermediate inputs. Value added summed across all industries is equal to GDP.

Prototype Outdoor Recreation Economic Statistics for the U.S., 2012-2016

In 2016, outdoor recreation accounted for 2.0 percent of current-dollar GDP, comparable in size to both the mining and utilities industries in the U.S. In addition, the average annual growth rate in 2012–2016 using current-dollars was 4.4 percent for the outdoor recreation economy versus 3.6 percent for the overall economy. The top industry contributor to GDP was retail trade, which contributed 22 percent of all activity to the total outdoor recreation economy in 2016. The next largest industries were accommodation and food services (\$55.7 billion) and arts, entertainment, and recreation (\$47.4 billion).

Total gross output for the outdoor recreation economy was \$673.2 billion in 2016. Conventional outdoor activities represented 62 percent of core gross output. The single largest activity was motorized vehicles, with a gross output of \$59.4 billion. The motorized vehicles category comprises RVs, which represent about half of the category's gross output, on-road and off-road motorcycles, snowmobiles, ATVs, and driving for pleasure. The next largest activities in 2016 were boating/fishing, game areas (including golf and tennis), and guided tours/outfitted travel. Trips and travel (\$230.5 billion) and multi-use apparel and accessories (\$92.6 billion) also proved to be significant contributors to outdoor recreation gross output in 2016.



In 2016, the outdoor recreation economy also generated 4.3 million jobs and \$203.6 billion in compensation. The top four industries for outdoor recreation employment were retail trade (1.3 million); accommodation and food services (1.0 million); arts, entertainment, and recreation (0.9 million), and state and local government (0.2 million).

BEA developed this account under a 2-year interagency agreement with the U.S. Department of Interior and other federal agencies that serve as stewards of public land and waterways and as stipulated in the “Outdoor Recreation Jobs and Economy Act of 2016.” After publishing the final national estimates in September 2018, BEA will endeavor to produce state estimates and other extensions to this satellite account subject to time, data, resource, and funding constraints.