

Updating Tourism Statistics International Standards
Comments / Proposals received to IRTS provisional draft (as of June 2007) (*)

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(*) Comments or suggestions have been received from 16 countries (Armenia, Australia, Austria, Bahamas, Canada, Denmark, Fiji, Hong Kong, Ireland, Mexico, New Zealand, Portugal, Romania, Senegal, South Africa and Turkey) and three UNWTO Affiliate Members (Araldi, George Washington University and Centro Internazionale di Studi sull'Economia Turisitica (CISSET)). This list complements that sent by UNSD.

Comments			
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A	Jesus García de la Torre	ARALDI	Statistics Consultancy
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Cuadro comparativo con REC 93

Además del motivo principal, la identificación de motivo(s) secundario(s) es importante para iniciativas turísticas de las NTA's

(Pero en 3.19 se ha eliminado: "... Consecuentemente, el motivo(s) secundario(s) de los viajes es también importante")

B.4 *Entorno habitual* Se define como los límites geográficos dentro de los que un individuo se desplaza en su regular rutina de vida (2.10). Y se añade que es entorno habitual los lugares de estudio o trabajo con viajes de ida y vuelta regulares (diarios o semanales) "o" lugares visitados frecuentemente en su rutina corriente de vida; en el mismo párrafo luego se dice: lugares visitados regular "y" frecuentemente dentro de su rutina corriente de vida. También en 2.13 se vuelve a decir regular "y" frecuentemente dentro de su rutina corriente de vida.

B.7 La definición de 2.2 y los puntos 2.34.c y 2.40.c se deberían reformular a la luz de lo incluido en este epígrafe. Porque no solamente se excluye como visitante a los que son empleados por la entidad residente, sino también a los que trabajan para una entidad residente y son empleados (contratados) por otra no residente (2.27 y 2.29.1)

Y... ¿qué pasa con los autónomos (self-employed) si van a prestar su trabajo personal a una entidad residente?)

2.34 Faltaría excluir como visitante al viajero que pretende hacer del país visitado su país de residencia.

4.4 Se recomienda excluir del gasto turístico todo gasto en bienes considerados valiosos o de consumo duradero (ordenadores, coches, caravanas, etc.), cuyo valor exceda el umbral de aduana, y que la Balanza de Pagos y Contabilidad Nacional incluyen como importaciones o exportaciones de bienes en el comercio general de mercancías. Sin embargo ..., se recomienda recoger información de estos tipos de gasto, pero tratarla separadamente, pues no debería incluirse en comparaciones internacionales de gasto turístico.

Pero ... ¿cómo se interpreta lo del umbral de aduana en la UE (por ejemplo) o en turismo a nivel sub-nacional?

4.17 Desaparece la referencia al gasto hecho por pasajeros no residentes en tránsito en zonas de tránsito, sin entrar en el territorio legal.

(Habría que suponer que se siguen considerando gasto receptor –inbound-).

B	Alexander Petrosyan	Armenia	Central Statistical Office
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Having studied the provisional draft of International Recommendations on Tourism Statistics (IRTS), we are pleased to inform you that the National Statistical Service of RA welcomes the activities on improvement of the methodology on tourism statistics being implemented by WTO, which clears up ideas on key issues on tourism statistics methodology. In particular, NSS RA attaches importance to the approach for tourism classification by traveling purpose a) Business and professional, b) Personal (breaking it into 8 groups), which is in line with the BOP methodology.

Taking into account the above mentioned we would like to inform you that NSS RA has not any comments and suggestions on project of International Recommendations on Tourism Statistics.

D	Peter Laimer	Austria	Central Statistical Office
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A. GENERAL COMMENTS

Preliminaries

COMMENT:

- The IRTS provides rather comprehensive recommendations on tourism statistics for compilers of tourism statistics. It is on the one side related several aspects quite detailed (i.e. definition of usual environment or visitor, but on the other side it remains superficial (i.e. environment, employment). - Less quantity, and more quality is recommended, therefore.
- The IRTS are elaborated in line with TSA and BoP recommendations; nevertheless, the risk of inconsistency between the three systems may become obvious. However, IRTS are partly difficult to understand and, occasionally, for countries with less experience related Tourism Statistics and TSA/BoP hardly to apply within their tourism statistical systems. Furthermore, user requirements should be considered as far as possible.
- A clear differentiation between Tourism Statistics and TBoP/TSA is necessary and inconsistent overlappings between the three systems should be avoided.

Grey Market Activities

COMMENT:

In IRTS nothing is mentioned related the “grey market” which is – considering consistency with BoP and National Accounts - from two points of view relevant to be taken into account:

- Related the Travel Balance of Payments (TBoP) “grey market” activities should be included, which includes “illegal” activities and non-registered visitors.
- Furthermore, “grey activities” are estimated within NA-system; these require respective estimates also on the tourism demand side, in particular considering TSA calculations.

However, grey-market seems to be an evident problem in many countries, although the measurement is difficult; nevertheless, this problem should be at least mentioned within IRTS (see i.e. the “frequent border crossers”, for those “...the follow up of these movements is often poor “ (para 2.60).

B. COMMENTS IN DETAIL

Page 9: “Revision of the classification by purpose”... 5. Health care

COMMENT:

It is proposed to include under “Health care”: “Health care (based on medical advice)”, in order to differentiate between those trips done for wellbeing and fitness reasons, for which a medical advice is not necessary.

Page 10: “Revision of the classification of forms of accommodation”

According to the “new treatment” no specific worldwide recommendations are proposed.

COMMENT:

It is proposed to include the respective ISIC Rev. 4 section 55 since at least classification of tourist accommodation supports comparability of statistical data!
55 Accommodation

551 5510 Short term accommodation activities
552 5520 Camping grounds, recreational vehicle parks and trailer parks
559 5590 Other accommodation

Page 10/11: "Review of the definition of tourism expenditure and tourism consumption"

COMMENT:

A clearer differentiation related tourism expenditure and tourism consumption is proposed, considering the "more inclusive concept of tourism consumption used in the TSA" (i.e. list of items).

Para. 2.2:

"Tourism is more limited than travel as it refers to specific types of trips: those that take the traveler outside his/her usual environment (see paras. 2.15. to 2.22.) for less than a year and for a main purpose other than being employed or providing a paid service in the place visited (see paras.2.36. to 2.37.). Individuals when taking such trips are called visitors. "Tourism" is therefore a subset of "Travel". This distinction is crucial both for the compilation of data on flows of travelers and visitors and for analyses of mobility."

COMMENT:

It is proposed to include those business visitors who are "employed or providing a paid service in the place visited" (i.e. consultants) since the tourism industry, in particular the hotel industry having a particular interest, in receiving data of all kind of visitors who are staying in the country/place visited and/or stay overnight in a tourist accommodation facility.

Nevertheless, due to consistency reasons with BoP, "seasonal and border workers" should be excluded.

Getting a clearer picture, a list related who is included and excluded would be helpful.

Box 2.3 Place of usual residence:

"The membership of a household consists of all persons usually resident in the household, where usual residence should be defined in a manner consistent with the provisions in the latest version of the Principles and recommendations for population and housing censuses of the United Nations. A minimum duration of 6 months may be used as one of the criteria for determining usual residence." International Labour Organisation – Recommendation No 59 of the Seventeenth International Conference of Labour Statisticians.

COMMENT:

It is proposed to cancel Box 2.3 since "a minimum duration of 6 month" is not in line with the visitor concept and is in contradiction with para. 2.2 (and 2.36, 2.44 d)) where a visitor is defined as a person "staying less than a year...in the place visited"; if he would stay more than a year he would be seen as a resident of the place visited, and as non-visitor, therefore.

Para. 2.17 "Usual environment":

"The purpose of introducing the concept of usual environment is to exclude from visitors those travelers commuting every day or week between their home and place of work or study, or visiting frequently (every day or week) places within their current routine of life, for instance homes of friends or relatives, shopping centers, religious, health care or any other facilities that might be at a substantial distance away but nevertheless are regularly and frequently visited.

COMMENT:

Para. 2.17 proposes that if a trip is taken on a daily or weekly basis it is part of usual environment and non-tourism, therefore. However, this would mean that a trip every 2nd week is considered as tourism, since it is – related to the frequency criteria – non-usual environment. However, a clearer definition related the frequency criteria would be useful.

Para. 2.38 (see also page 9 (new definition of visitors) and para. 2.44 e)):

“As a consequence, to be excluded from visitors are:

- Seasonal workers or any other workers employed even under a short-term contract to work in the country of reference (the case is more current in agriculture and services), whether their work contract is with a resident or with a non-resident entity;
- Border workers (or otherwise classified workers) crossing the (national or administrative) border on a regular basis (daily or weekly) in order to work in a country different from that of residence or place different from that of usual residence;
- Employees of non-resident entities (or entities located in different administrative areas) or self-employed persons providing a paid service to a resident entity in the country (or place) visited even for a short time period;
- Participants in scientific and academic research remunerated by a resident entity (even when it is short term);
- Participants or speakers in conferences, performers in cultural activities or shows who are remunerated by organizations belonging to the country visited;
- Dependants accompanying a person mentioned above (see para 3.18.)”

COMMENT:

Apart from the exclusion of “seasonal and border workers” which is in line with the concepts of BoP the exclusion of a large part of business travellers - as proposed in para. 2.38 - is not recommended.

Therefore, it is proposed to include also those business visitors who are “employed or providing a paid service in the place visited” (i.e. consultants) because from the supply side point of view it does not make any difference for service provider (e.g. hotel) if their guests are remunerated in the place visited or not (apart from that that in practice a differentiation may not possible, i.e. asking at the border or at the hotel). Therefore, a discrepancy between supply and demand oriented statistics may be given.

Nevertheless, “dependants accompanying a person” should be included under the visitor concept since their primary purpose for doing the trip is holiday.

However, para. 2.38 seems to be in contradiction to para. 2.44 e), where an individual remains a visitor...”if such an activity is accidental to the main purpose of travel and the remuneration is of a minor significance”. According to para. 2.44 e), however, i.e. consultancy work which may be accidental and remunerated of minor significance would be included.

It is proposed to add “tourism” and “other” under “Seasonal workers or any other workers employed even under a short-term contract to work in the country of reference (the case is more current in agriculture, tourism and other services), whether their work contract is with a resident or with a non-resident entity;....”.

Para. 2.51:

“This measurement is usually based on that of non-residents entering the country for a duration of less than a year, and is performed at the border, either using Entry/Departure cards, or using surveys at the border usually at the moment the non-residents leave the country, although some few countries, combine in an integrated manner both instruments (administrative controls and surveys). Some countries, mainly from Europe where controls at the borders have disappeared, also make measurements at the place of accommodation and at popular tourism sites (either as a complement to border surveys or as an alternative to such procedures, especially to measure and characterize private tourism accommodation and same-day visitors).”

COMMENT:

It is proposed to formulate para. 2.51 as follows:

“...The most European countries where the controls at the borders have disappeared and due to legal requirements mainly make measurement at the place of accommodation. In addition surveys at popular tourism sites or other tourism destinations are realized, either as a complement to”

accommodation statistics and border surveys or as an alternative to such procedures, especially to measure and characterize private tourism accommodation (paid and non-paid) and same-day visitors.”

Para. 2.59:

“Business travelers and travelers coming for work purposes: identifying business travelers and travelers coming for work purpose that are to be considered as non-visitors because they are involved in an economic activity that is paid from the country visited, requires usually the collection of more information than can be obtained through current entry/departure cards. This situation needs to be identified using a border survey or any other additional statistical procedure. Often, persons coming for a job or in order to provide services will require a specific visa, and this gives an immediate criterion, but it might not be the case in all countries and in all circumstances.”

COMMENT:

It is recommended to add “...any other additional statistical procedure (i.e. income tax statistics)...”.

Para. 3.3: “Personal characteristics of the visitor”

COMMENT:

It is recommended to add to the list related “personal characteristics of the visitors” “size of place of residence”, since the travel intensity heavily depends also on the size of the place of residence (mostly measured by population data).

Para. 3.14-1:

“Except in the case of “transit”, each tourism purpose is associated with a main group of activities undertaken during the trip as follows:

1. **Holidays, leisure and recreation:** Sightseeing, visiting natural or man-made sites, attending sporting or cultural events, practicing a sport (skiing, riding, golfing, playing tennis, diving, surfing, hiking, trekking, mountain climbing, etc.) as a non-professional activity; using beaches, swimming pools and any recreation and entertainment facilities, cruising, gambling, attending summer camps for youngsters, resting, honey-mooning, fine dining, visiting spas and other establishments specialized in wellbeing, fitness except in the framework of a medical treatment, staying in the vacation home belonging to or leased longterm and used by the household etc....”

COMMENT:

In para. 3.14-1 it is recommended to add “...visiting spas and other establishments specialized in wellbeing (i.e. wellness hotels), fitness except in the framework of a medical treatment (based on a medical advice)” in order to differentiate clearly to the main purpose “Health care”

Para. 3.14-5:

“Except in the case of “transit”, each tourism purpose is associated with a main group of activities undertaken during the trip as follows:

- ...
5. **Health care:** Receiving services from hospitals, clinics, convalescent homes and, more generally, health and social institutions, visiting thalassotherapy, health resorts and other specialized places to receive medical treatments. This category includes only **short-term** treatments because long-term treatments requiring stays of more than one year are not considered as a tourism activity (see para. 3.31.)....”

COMMENT:

In para. 3.14-5 it is explicitly mentioned that only short-term treatments should be included in order not to infringe the one year rule. It is to mention that according to the BoP, the one year rule does not apply to medical patients who remain residents of their economies of origin.

Para. 3.41:

"In those circumstances, it seems increasingly difficult to recommend a specific categorization that could be applied in all countries. The difficulties associated with the classification of providers of accommodation services will be discussed in a further section of the document (see paras. 7.20. to 7.33.)."

COMMENT:

Para. 3.41 is mentioning that "...it seems increasingly difficult to recommend a specific categorization that should be applied in the countries...." However, a classification of the categories could be according to ISIC classifications in order to receive consistent results as far as possible (see also COMMENT related "Revision of the classification of forms of accommodation").

Para. 4.3:

"Tourism expenditure refers to acquisition of goods and services by visitors or by others on their behalf, for the direct satisfaction of their needs and wants and which amount visitors are usually able to report in surveys. They include those paid by the visitors out of their own resources, (including those considered as transfers in kind that are later reimbursed by the Social Insurance Scheme), as well as expenses related to the trip that are paid for or reimbursed by producers or other entities. In particular, it excludes social transfers in kind that are not provided through the reimbursement of expenditure as well as accommodation services provided by owned vacation homes that need to be estimated using other types of statistical sources. Some other components that need to be estimated using other types of sources are also excluded. These will be included in the more inclusive concept of tourism consumption, used in the TSA."

COMMENT:

Para. 4.3 states that tourism expenditure "...they include those paid by the visitors out of their own resources, (including those considered as transfers in kind that are later reimbursed by the Social Insurance Scheme)...". This is not consistent with the BoP requirements since this type of expenditure is not attributed to the travel item (See: IMF-Balance of Payments Manual para. 255: "Insurance services covers the provision of various types of insurance to non-residents by resident insurance enterprises an vice versa...(i.e., life-including health, general liability, fire, marine, aviation...)").

Para. 4.49:

"Some countries are in a situation that prevents them from developing border statistics often because their borders are mostly land borders that are totally open to the flows of vehicles (for example, Austria). (old 9.41) In those circumstances, they often rely on a combination of statistics collected at places of accommodation and of "mirror statistics", that is, statistics on outbound visitors and outbound tourism expenditure from the countries of origin of their foreign visitors. If possible, this procedure should be avoided."

COMMENT:

For countries with open borders (free flows of vehicles), considering border surveys are not suitable of measuring inbound tourism expenditure. Therefore, other sources have to be used. As Austria is explicitly mentioned it is proposed to skip the sentence "If possible, this procedure should be avoided" since for many – in particular European - countries it is the only feasible way to measure tourism/monetary flows. However, the Austrian system related measuring the "inbound tourism expenditure" is based on a broad variety of data sources exceeding the exemplarily mentioned sources in para. 4.49; for compiling TSA and the Travel Balance of Payments a profound compiling system has been established.

Para. 6.56:

"The compilation Guide will provide practical recommendations on how to treat package tours and in particular how they should be "unbundled" into their different components."

COMMENT:

It is recommended to add "...into their different components, which is a prerequisite for compiling TSA and TBoP".

Para. 7.24:

"As it is hardly feasible to comprehensively gauge and analyze employment in tourism industries on the basis of one statistical source, the integration of data from different sources seems to be a preferable solution. This method yields more comprehensive information, provides a better overview and a more consistent picture, and results in a more accurate analysis. Two major analytical frameworks have recently been developed: the Tourism Satellite Account and the OECD Employment Module."

COMMENT:

Above the para. 7.24 it is written "Exclude the following", which deals with the TSA and the OECD Employment Module. Since these systems are already applied in a number of countries, these paragraphs (7.24-7.28) should definitely not be excluded, therefore.

E	Pamela Lowe	Bahamas	National Tourism Administration
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Page 1 – 1.2 “...encompasses all visitors do in preparation for a trip or while on a trip.” Measurement of what should be included in preparation for a trip may prove difficult. This represents a major change in expenditure.

Page 7 – 1.27 We agree that international comparability needs strengthening.

Page 8 – 1.32 “Inter-institutional network or platform, NTA, NSO, CB, also immigration, representatives of private sector, universities and economic research centers...” NTA should play an especially active role in this process and contribute to ensuring the stability of the basic care of technical officials with the appropriate training.

Page 9 The change in the treatment of transit visitors needs cooperation and training of Immigration Department personnel. We now need to exclude all those who do not enter the legal and economic territory.

Page 9 Domestic tourism, which includes the activities of resident visitors within the economy of reference either as part of a domestic or an international trip will require new measurement activities.

The “...as a part of domestic or international trip” in the definitions on forms of tourism needs to be clarified. Perhaps examples would help here. (Domestic tourism/ inbound tourism/ outbound tourism).

The revision of the classification of tourism related purpose of trips or according to main purpose of trips would require the redesign of E/D cards, surveys and systems to analyze results. The merit of making these changes would need to be evaluated as substantial cost is involved.

Page 13 - The Compilation guide on how to implement these Recommendations should prove helpful, e.g. timeshare arrangement.

Page 17 – 2.13 Second homes – “place that he/she visits regularly and frequently within his/her current routine of life...” It would be helpful if “regularly” and “frequently” could be more specific or quantified.

Page 19 – 2.29 Short-term workers might present a challenge to Immigration officials as some may enter “business visit” on E/D forms. Suggestions on how to isolate and exclude short-term workers would be useful, perhaps in the Compilation guide.

Page 20 – 2.32 We find the three recommended definitions, internal, national and international tourism to be very useful.

Pages 22 & 23 - The outline of Domestic visitors on pages 22 and 23 is very clear. The treatment of the term “country” can be easily transposed, other things being equal, to a different geographical level, using the terms region or place instead of country or to a group of countries...” This is particularly important for island nations or nations comprising many islands such as The Bahamas. In this case, our use of an island to determine usual residence in a region or place and subsequently domestic visitors (visiting another island) seems practical.

At present measurement of domestic tourism is limited. Suggestions on how best to monitor this traffic would be useful in the Compilation guide.

Page 25 – 2.52 A good recommendation on page 25 is to include cruise visitors and yachters as visitors whether they disembark or not, as soon as the vessel carrying them docks in official moorings. However, the removal of cruise visitors who do not stay overnight and not included as tourists (classified as excursionists) presents a challenge for countries that have in the past considered cruise passengers as tourists. This issue is of great importance to the Caribbean.

Page 24 – 2.46 We did this with the TSA and the Budget Communication 2007 specifically calls for this under National Statistics.

Page 29 & 30 – 3.15 While we do not match exactly all categories, we can fold them into the main ones: Business and Professional and Personal.

Pages 31 – 2.2 Weddings in The Bahamas are most often organized by, staged by and attended by people who do not live in The Bahamas. We do not think they fit under visiting friends and relatives. Also, how do you handle people who get married on cruise ships, particularly when they use local officials and Bahamian marriage coordinators for the wedding? Where do you allocate economic centre if (1) the USA owned ship is registered in The Bahamas but home-ported in USA or (2) USA owned but home-ported in The Bahamas?

Pages 32 & 33 – 3.24 Only here and nowhere else in the rest of the document do you coin the term visitor nights which is a better proxy to expenditure than visitor counts because it incorporates duration.

Page 35 – 3.5 & 3.6 The Bahamas would like to participate.

Page 36 – 3.41 A description of “equivalence scales” would help the reader.

Chapter 4 - Capturing inbound expenditure of same day cruise visitors is a challenge because of short duration of stay, many ports visited, etc. A note on best practices in the Compilation guide should prove helpful.

Chapter 5 - Components of a package is also a challenge. Average charter seat cost is used for airfare but this information is often unavailable.

Page 50 – 5.19 This recommendation is very practical and useful. Since there is no homogeneity among countries for goods as a part of tourism-specific goods.

Page 64 – 6.50 Tour Operator gross margin earned is usually unavailable to NTA Research & Statistics Department (“...difference between what the tour operator charges for package tours sold and the costs to him of the components, including commission recognized to travel agencies selling the package tours to the public.”) The components of a package are very hard to separate because airfare, accommodation, etc. are given to the Tour Operator at a discount. The Compilation guide should also address this matter.

Chapter 7 – The Compilation guide should clearly outline how to progress from Household Labour Force Survey, for example, to tourism employment.

Page 83 – 8.35 These are useful adaptations recommended. These take note of regional differences to the classifications of tourism characteristic products and tourism industries to reflect the specific features of tourism in that specific region or place.

Page 86 – 8.54 Extending the TSA to estimate the mutual links between tourism and the environment at the level of the national economy is a very important step and should be expounded.

F1	Chris Jackson	Canada	Central Statistical Office	SPECIFICS COMMENTS TO IRTS V.3
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General comments on IRTSv3

The UNWTO has made great strides with the present version of the IRTS and is to be applauded for its efforts in pulling together this “provisional draft”. In our view, however, substantial work remains to be done.

According to the proposed UNWTO-UNSD schedule, it appears that after the IRTSv4 goes to the IACG-TS (in early September) there will no longer be any chance for national statistical offices or tourism authorities to have further input. In our view, countries should receive copies of the draft Recommendations as they are further developed and refined. Countries should also have the opportunity to express concerns and to seek or suggest clarifications, if any, on subsequent versions.

Regarding the general content and organization, some sections of the IRTS still seem to be recommending little in the way of setting international standards. These include:

- section 3C on “measuring the characteristics of tourism trips and visitors”
- section 4F on “measuring tourism expenditure”
- section 6D on “Selected tourism industries and their typical output”
- section 6E on “measuring the supply of services of tourism industries”
- section 7D on “Measuring employment”
- section 8A on “The TSA Approach”
- section 8E on “tourism and sustainability”

We would suggest that these sections be thoroughly reviewed with a view to (1) drawing out and emphasizing recommendations, (2) removing passages that are simply descriptive of measurement practices/issues across countries to the Compilation Guides, (3) integrating in other parts of the text passages that are important to understanding the concepts and definitions, and (4) removing passages that can be replaced by a reference to a more complete discussion in some other document. More detailed suggestions are made in our specific comments below.

Last, UNWTO is not entirely consistent with respect to how it refers to the IRTS (Recommendations, IRTS, Recommendations on Tourism Statistics) and, second, acronyms often appear in the text before they have been spelled out in full. The text needs to be reviewed to ensure consistency on these points. We also suggest changing throughout “tourism characteristic industry” to “tourism industry” and “non-tourism characteristic industry” to “non-tourism industry”.

Specific comments on IRTSv3

1.1 – 1.4 Since this is the introduction to the whole document, it would be better if the text would be less technical and elaborate a little on tourism statistics, concepts and definitions at a more general level (recognizing that precisions will come later in the Recommendations). Also, it would be useful, following this general introduction and coming before the Background, to have a section dealing with the “purpose of the document”. We suggest moving paragraphs, 1.35, 1.27-1.28, 1.43, 1.29-1.33 up-front in a new section A on “Purpose of the IRTS”. The current section 1A would become section 1B.

1.34 The table in section C is very useful. It should be numbered and include a title.

2.7 This paragraph is confusing because it starts out by saying that the context is measurement of domestic tourism at a sub-national level, but then the rest of the text does not seem to agree with that! It seems, on the contrary, to be about measurement at the national level.

2.9 The last sentence of this paragraph is unclear – change to: “The holder of a national passport who resides abroad and travels to the country of reference is an international traveler for tourism statistics”.

2.12 Why is it that UNWTO selects “at least once a week” for identifying routine trips? It is still our view that visiting a place at least once every month constitutes regular travel to a place that is within the current routine of life and that is a part of the usual environment.

2.13 The exclusion of vacation homes from the usual environment is justified on the grounds that “they are visited to break away from the regular routine of life.” We do not find this rationale very persuasive. By this logic, one could make an exception for stays in a local hotel or a visit to a local restaurant or museum (never visited before) that are made just “for a change”.

Making an exception to the rule without solid grounds opens the door to all sorts of other exceptions or special interests. UNWTO needs to find a stronger, more convincing rationale, or consider dropping this exception. If there is no better rationale, the credibility of the definition of what constitutes a tourism trip and what constitutes tourism will be undermined. It will also be more difficult to defend the definition of tourism trips.

Furthermore, it is mentioned that vacation homes should be excluded from the usual environment, regardless of the distance, the frequency of visits, and the length of stay. In 2.34 and 2.40(b) UNWTO states that trips with a stay in the place visited that last more than 12 months would not be considered as tourism trips/visits. This criterion is to be applied without exception. This contradicts 2.13.

2.22 If one accepts the exception in 2.13, then a trip to a vacation home that is more than 12 months would still be considered as a tourism trip since it is outside the usual environment regardless of distance, frequency and duration. Therefore, this exception for vacation homes should be explicitly mentioned right here in paragraph 2.22.

2.26 For the sake of consistency, the identification of a visitor as a tourist or excursionist should be done at the trip level only. Therefore, a tourist who makes a same-day visit to a place should still be considered a tourist to that place not an excursionist. This approach preserves additivity between sub-national and national statistics in terms of the number of tourists who visit the country of reference.

2.27 Regarding the exclusion from visitors of travellers who obtain compensation for work in the places visited, UNWTO needs to provide a strong rationale. WHY exclude these people from visitors? Knowing what the grounds for the exclusion are will help countries in terms of understanding the notion of visitor. Consequently, it will help in terms of implementing the definition and, as a result, improve international comparability of tourism statistics. The examples of inclusions and exclusions, in and of themselves, are not enough to understand the underlying reasons for the exclusion.

2.29 The first bullet contradicts the basic definition of tourism (in para 2.2) and the discussion of the exclusion criterion (in para. 2.27). To be excluded from visitors are those travellers whose main purpose is to work for a resident entity in the place visited, so “whether their contract is with a resident or with a non-resident entity” does matter. The former will be excluded, the latter will not. UNWTO needs to clarify its intent here and its wording.

2.33 Drop the last sentence of this paragraph.

2.D1 This section is much clearer.

2.34b It should be noted that, contrary to what is stated, UNWTO does make an exception for visits to vacation homes regardless of the duration of stay (see our comments on 2.13). Furthermore, we suggest moving the discussion about long-term students and patients out of this item, and discussing and elaborating instead in a new paragraph 2.35. In addition, along with the separate discussions of nomads/refugees and diplomats/military/etc, it would be useful to have paragraphs briefly discussing the special cases of migrants and crews. Last, it is unclear as to why “troops on manoeuvre” are so important as to warrant a separate criterion. This point should be dropped or at least moved to a separate paragraph.

2.35 Where does the “convention” on nomads come from?

Figure 2.1 This is much clearer. Regarding refugees how is it that they can be viewed as both (i) “arriving non-residents” and (ii) as “returning residents”? Is the former for instance someone from country B who goes to A to seek refuge, while the latter is the case of someone from country A who stays as a refugee in country B and then returns to country A? There is also a potential confusion here with BPM6 (4.114) wherein it is stated that the country of residence of a refugee should be the one in

which the refugee intends to stay for a year or more. This means that in case (i) above, the refugee from B to A should in fact be considered a resident of A whereas, in case (ii), the refugee from A to B returning to A should be also be considered as a resident of A (on assumption this person intends to stay in A). Also, this schematic should show where “emigrants” and “immigrants” fit as well as “crews on irregular lines”.

Also, we recommend that UNWTO include a chart for domestic tourism that is similar to Figure 2.1.

2.39 Suggest dropping this paragraph - it is repeated verbatim from 1.43.

2.40 This should be consistent with 2.34. In particular, the exception regarding vacation homes, should be mentioned in 2.34(a) and in 2.40(b). The cases of migrants, crews, students, patients, etc. in the domestic context should also be mentioned.

2E Suggest removing several paragraphs from this section and re-integrating its parts as follows:

- move 2.41-2.44 on the definition of the usual environment to the section on usual environment, after 2.13
- move 2.48-2.57, which really relate to the definition (as opposed to measurement) of certain types of visitors (who could be inbound and outbound and not just inbound as incorrectly implied by the title of section 2E3), after section D.1 and along-side Figure 2.1 which shows most of these categories
- Keep 2.47 (measuring inbound tourism), 2.58 (measuring outbound tourism), 2.59 (domestic tourism), and 2.46, and try to formulate recommendations in 2.58-2.59 as in 2.47
- Drop 2.45, 2.60-2.62

2.57 It is not clear why the UNWTO seems fixated on GATS mode 4 of trade in services. It would perhaps be more useful to GATS, if UNWTO/UNSD were to recommend that countries in gathering their travel/tourism statistics make an effort to identify at least modes 1 and 2 (cross border supply and consumption abroad) of delivery of services.

3.7 Move paragraph 3.7 before paragraph 3.6.

3.15, item #2.4 How important is thalassotherapy?

3.20 UNWTO is recommending here that countries might consider gathering information on the purposes and expenditures associated with “tourism visits” that are part of “non-tourism trips”. We do not support this recommendation as it creates inconsistencies between national and sub-national statistics.

This approach implies that what would become important for tourism is the visit, not the trip. In fact, there would not be a need to collect the information at the trip level, since the trip characteristics are no longer used to determine when a traveller is a visitor to a given place. In our view, the response burden and costs associated with the collection of the required information would be so significant, as to render this proposal impractical.

Moreover, it appears to us that UNWTO is proposing that tourism visits during non-tourism trips should be counted in tourism statistics. Would the UNWTO propose the converse as well, that is, if the main purpose of the trip is in-scope for tourism, but certain visits taken during the trip are work/job related, then these visits and associated expenditure would not be included in tourism statistics? This would have to be done to maintain consistency and credibility.

See also our comments on 8.32-8.33.

3.28 We suggest dropping this recommendation. First, how else could one classify duration of stay for same-day trips/visits? Second, and more importantly, what would be the usefulness of this information? Why should countries collect it in the first place? At the very least, UNWTO should provide a reason for collecting the data.

3.40 What UNWTO says here about the spending of individuals or travel parties who belong to larger travel groups is incorrect. The expenditures that they share may not be of equal value for each individual or party and may not include the same items. In particular, this is the case for the price of the cabin, which ranges from a basic unit to a suite. Also, in world tour cruise ship packages, there may be different options in terms of the number of visited countries and duration of trip. For instance,

one can do the first half of the tour, others may do the second half and the rest will do the whole tour. This would mean that visitors will not share all expenditures included in the package. This paragraph should be removed.

3.41 How are respondents to a travel survey supposed to know how many people they travelled with on a cruise ship? The recommendations in this paragraph should be restricted to travel parties only.

3C This section on “measuring the characteristics of tourism trips and visitors” does not contain many recommendations. Suggest the following changes:

- Drop (or move to compilation guide) paragraphs 3.44-3.47 which contain no recommendations and just seem to summarize what is usually done in countries
- Move 3.50 to compilation guide and elucidate on what would be sufficient information to make the decision
- Drop 3.48 on duration of stay as it is unclear. The first thing to look at in order to determine residence on E/D cards is “address of residence”!
- Integrate 3.52 on students and patients with paragraph 2.55 on same issue
- Keep 3.42, 3.43, 3.49, 3.51 and draw out/emphasize the recommendations

3.42 There seems to be a contradiction here insofar as the UNWTO is suggesting that countries might be interested in statistics on “nationals” when it has already stated in 2.B3 that statistics on nationality are not part of the requirements of tourism statistics. See as well comments on 7.24. Also, the last sentence of this paragraph is unclear.

3.49 What is meant by “from an economic point of view”. According to Box 2.2, the place of residence is determined by the amount of time spent in each place during the year. Perhaps this should read “according to the SNA/BOP”. For us, “economic point of view” would suggest determining place of residence according to money spent or income earned.

4.2 A TSA is not required to use the concept of “tourism consumption”, so why the statement at the end of this paragraph? The notion of “tourism consumption” could at least be mentioned and defined in these Recommendations.

4.4 While we support the BPM6 recommendation to exclude from the BOP travel item spending on consumer durables over and above custom thresholds, we do not agree with the new UNWTO proposal to exclude these amounts altogether from tourism expenditure. This is something that UNWTO is imposing. In the SNA/BOP systems, amounts spent on durable goods over and above custom thresholds are included in merchandise trade – hence the recommendation to remove them from the travel item.

The fact that these expenditures are not included in the travel item cannot be used as the rationale to exclude them from tourism expenditures. If this were the case, it could be argued that we would need to do the same thing for the transportation expenditures included in the international passenger carriage item of BOP but not in the travel item. That said, what is the UNWTO rationale for this exclusion?

Also, what would the threshold be in the case of domestic tourism? Since there is no custom threshold in this case, spending on consumer durables over and above this amount would be included in domestic tourism but excluded from outbound tourism. What would be the threshold for inbound tourism? Is this to say that the coverage of inbound and outbound and domestic tourism expenditure would be defined differently?

We are in agreement, however, with UNWTO proposal to exclude valuables from tourism expenditure and include them instead, if countries wish, as a separate addenda item. In this respect, however, the text should be reviewed because in places it appears that UNWTO is recommending that spending on valuables below custom thresholds should be included. It is not clear if UNWTO has modified its position since the second draft, or if there are inconsistencies remaining in the text regarding the treatment of valuables.

4.11 The previous paragraph covers the case of “gifts brought along” on a trip (i.e., purchased before the trip with the intent of giving them during the trip). This paragraph needs only to cover the case of gifts bought during a trip that may be either given away during the trip or after it. We would suggest

dropping the last sentence of this paragraph. Goods (over the customs threshold) should not be excluded from tourism expenditure just because in the SNA/BOP they are included in merchandise trade and excluded from trade in services.

If the UNWTO intends to align tourism spending with BOP travel item, then why bother to make a distinction between travel spending and visitor spending? Why make a distinction between travellers and visitors? The alignment of tourism to BOP travel, without good reason, will only serve to undermine the development of tourism statistics as a separate domain.

4C.2 We believe this section requires additional explanation in the Compilation Guide. In particular, the discussion here seems to be neglecting domestic tourism.

4.12 This statement will have to be modified in the case of domestic tourism.

4.17 Expenditure by inbound visitors in the country of origin may be of interest for policy makers for estimating their total/average trip spending.

4F Several changes are recommended for this section:

- Drop (or move to compilation guide) paragraphs 4.26-4.29 as they simply seem to be summarising findings of a UNWTO report – why not refer the reader to the source?
- Paragraph 4.30 on location of expenditure should be integrated in section 4.C2 on location of expenditure (in fact it seems to be repeating ideas from there)
- Move paragraphs 4.31-4.33 to the Compilation Guide – this has to do with description of measurement approaches rather than recommendation
- Move paragraph 4.34 on the breakdown of expenditure to section 4E on the classification of expenditure
- Keep 4.35, as it provides recommendations on measurement, but make it clearer that this is what the paragraph is about

5.1 The exclusion of “support services” is a point around which there is much confusion. It is not very well explained either in these Recommendations or in the TSA:RMF. UNWTO should elaborate on this important point. Moreover, this exclusion appears to be contradicted later on insofar as many “support services” are included in the list of tourism specific products. UNWTO needs to clarify its position as well.

5.8 We suggest dropping this paragraph as it does not seem to be adding much other than what is obvious.

5.11 This statement begs the question: what is the slight difference between the SNA recommendation and the IRTS? UNWTO should clarify.

5.15 UNWTO should take the lead here and identify or provide these sub-categories that are specific to tourism, e.g., CPC 67190* tips to baggage handlers. So, in Annex Table 3, in the case of connected products, it would be very helpful if UNWTO would list, instead of the CPC 5-digit level commodity titles which often seem to be tourism non-specific, the detailed sub-items that it considers to be specific to tourism.

As we have mentioned before (and below in our comments on 5.26), we do not support the inclusion of most of the connected products in Annex 3. However, if UNWTO could identify the relevant sub-categories of tourism connected products, we would be able to support the creation of specific sub-categories for tourism commodities that are subsumed in broader categories that for the most part are not related to tourism.

5.16 We could support creating specific sub-categories in items c, d and f, but it is hard to see how or which sub-categories of education, health and social services (item g) could be created for tourism specific products as most of these items are used in the regular routine of life.

5.26 We do not believe it is necessary to follow the SNA93 in distinguishing between characteristic and connected products. In Canada we have not found it convenient to make such a distinction. Also, due to the fact that the criteria suggested to identify the tourism specific products in 5.13 are “loose”, some of the products that appear in the list of tourism-specific products as tourism connected products

are questionable at best; these should be considered as “other goods and services”. We strongly believe that this category of “connected” products just adds unnecessary complexity to the classification process and should be eliminated. See also our comments on 5.15.

5.28 UNWTO needs to explain what constitutes a significant share – is it 5%, 10%, 15%, 50%+? We believe that 5-10% is significant. Moreover, in our view, the share-of-expenditure condition is irrelevant in practice. UNWTO should provide an example of a product that does not satisfy the share of supply condition (significant = 5-10%), but does satisfy the share of expenditure condition. We cannot conceive of one!

5.29 UNWTO needs to explain why the second “share of supply” condition needs to be applied at the ISIC 4-digit level. We do not agree with this recommendation. The share of supply condition needs to be applied on a commodity basis. So, for instance in the case of travel insurance (see comments on 5.33), tourism spending will account for most of the output of travel insurance in an economy – thus “travel insurance” would be a tourism characteristic commodity.

5.32 – 5.35 The discussion in these paragraphs on how to identify tourism characteristic products and activities is not very clear. In 5.22, it is stated that there are two recommendations to follow: First, identify tourism characteristic products (using the criteria given in 5.28) and, second, identify the tourism industries that produce the products (selected in the first step) as their typical output. These steps are followed in the example in 5.31, which is a good example. However, they are not followed in 5.32 and 5.33, and this is confusing. We would recommend reformulating the examples in these paragraphs according to the model outlined in paragraph 5.31 and the steps outlined in 5.22.

5.42 This paragraph refers to “other tourism-characteristic products and activities”. These terms have not been defined at all. Where do these belong in terms of the typology in 5.37-5.38?

6D Much of this section is descriptive with little in the way of recommendations – UNWTO should give more emphasis to the recommendations therein.

6.28 While street vendors sales may represent an important source of income for them and their families this does not constitute a reason for including this category of “establishment” as part of the tourism industry.

6.33 It should be mentioned that in the case of domestic travel it is necessary to identify where the service is delivered in order to identify the place that benefits from the expenditure.

6E Suggest dropping this section altogether:

- Drop 6.51-6.52 or move to compilation guide
- Integrate the recommendations on specific services in 6.53 as appropriate in sections 6D1-6D5

6.41 Will UNWTO provide a reference on the agreement with the other statistical Systems regarding the “net valuation” of tourism services, or a BOX showing what is said on this matter in SNA/BOP?

6.48 Again UNWTO mentions an agreement with SNA and BOP on package tours but does not give a reference or a BOX showing what these systems recommend with respect to treatment of this item.

6.50 Again, it should be mentioned that the treatment of package tours as well as issues related to the valuation of the service provided by tour operators will be elaborated in the Compilation Guide.

Chapter 7 We continue to find this chapter confusing and unclear. UNWTO should consider that the employment topic could be better served by removing it altogether to another more comprehensive and dedicated document that will come from the initiative referred to in 7.32. As it stands this chapter does not do justice to the complex and dynamic phenomenon of employment. At the very least UNWTO should consider removing section 7B, as the reconciliation of supply and demand of labour requires the development of an accounting framework, which in itself requires a more comprehensive document.

7.5 This paragraph makes reference to “other tourism-characteristic activity”, a concept that is not defined in IRTSv3. See comments on 5.42.

7.9 Since people can hold more than one job, and since in this case, they may be employed in more than one industry, and because an employed person should only be counted as employed once and only once, it is necessary to specify in the operational definition of “employment in the tourism industries” which job is being referred to. In this case, it should be in relation to the main/primary job.

Or, on the contrary, does UNWTO intend to include as “employed in tourism industries” persons whose main job is outside the tourism industries but who have second or third jobs in tourism?

If the intent is the former, that is, to count as employed in tourism industries only those persons who have their main job in tourism industries, then UNWTO needs to review Chapter to ensure that this point is clear. As it stands, however, in several places, it appears as if UNWTO intends the latter.

If UNWTO intends the latter, Canada would not be able to support the recommendation. By this logic, if one added up all the employed across all industries in the economy one would double-count the employment of people employed in more than one job! Moreover, the implied information requirements are substantial, as this approach would require gathering information (industry at very least) of each of the jobs held by multiple job holders.

7.17 The statement in this paragraph that “The aggregation of jobs over all persons concerned will yield a total number of tourism-characteristic jobs in a given establishment” is unclear – the aggregation over which jobs (the primary jobs of people concerned, or all of their jobs?) and who are the people “concerned” (those with a main job in the establishment or those with a job there?).

Also, in 7.17, UNWTO is introducing the concept of “tourism characteristic jobs” which has not been defined at all. What is this kind of job? Are all jobs in tourism characteristic industries to be called “tourism characteristic jobs”? What are the criteria here? The statement that “Therefore, the total number of persons employed in the tourism industries may not be equal to the sum of persons employed in individual tourism industries” is unclear. On the one hand, it implies that employment of people with more than one job is being counted more than once. On the other, it implies a comparison of apples (employed persons) and oranges (jobs). See our comments on 7.9.

7.18 There is a seeming inconsistency with paragraph 7.9 where the period of time is “either a week or a day” and not “a month or a year”. Why the difference?

Figure 7.2 See comments on 7.9 and 7.17. First, the title should specify “Employed persons in reference period WITH MAIN JOB in tourism characteristic industries”. Second, in the case of people who are employed in their main jobs in tourism industries, but who have multiple jobs, it may be that some of these second and third jobs are outside tourism industries, so they should not be included as jobs in tourism industries (Figure 7.2 implies the contrary, that these additional jobs outside of tourism should be included).

Conversely, in the case of people who are employed in their main jobs in non-tourism industries but who have multiple jobs, it may be the case that some of these second or third jobs are in tourism industries, so they should be included (in principle) as jobs in tourism industries (The figure implies the opposite, that these jobs in tourism industries should be excluded). The schematic seems to assume that the second and third jobs of multiple job holders are in the same industry as the primary jobs which will not always or not often be the case.

7.24 Why is UNWTO recommending gathering statistics on employment by nationality, when in 2.B3 it is stated that the concept of nationality is not required for tourism statistics?

Section 7D – the only recommendation in this section is that countries should integrate household surveys, establishment-based surveys and administrative data sources. The rest simply describes the three data sources in general terms – what is the point?

- Drop paragraphs 7.27-7.30 (but keep references to ILO manual)
- Keep 7.26, 7.31-7.32 as recommendations on measuring employment in tourism industries

Chapter 8 – while interesting, much of this chapter has little to do with recommendations on tourism statistics and setting standards.

Section 8A describes the TSA, without really adding much that has not already been said. Suggest dropping this and/or moving it to the introduction in order to make it clearer early on what is the relationship between the STS, the IRTS and the TSA.

Section 8B, especially the discussion on reconciling the coverage of BOP and tourism statistics is useful, insofar as it clarifies differences between two standards. We think this should be retained but as two sections one in Chapter 2 (comparing scope of persons covered in BOP and the STS) and the other in Chapter 4 (comparing scope of expenditures included in BOP and the STS).

8.15 What is the reason for aligning the tourism expenditure and the travel item when it is admitted in 8.20 that the BOP travel item is only a first approximation to tourism expenditure? The effort to align tourism expenditure with respect to the BOP treatment of goods (other than valuables), above a custom threshold, seems misguided. Also, the statement at the end of the first bullet is unclear – is UNWTO saying that this import is included in domestic expenditure? Is UNWTO intending to refer to “cabotage” in this example?

8.19 UNWTO could go further here and recommend that countries report an itemized reconciliation of BOP travel item and tourism expenditures.

Figure 8.1 Is this a bridge between BOP travel item and tourism consumption, or tourism expenditure? At the top of the second panel in the tourism statistics column, where “non-resident visitors” are defined, the exception related to vacation homes should be mentioned (see our comments on 2.13). In the case of “diplomats, consular staff, ...” these people are not in scope but, at the same time, they are in scope (i.e., no and yes). If the trips of these people are not in scope, then neither are any visits they might make as part of those out-of-scope trips (see our comments on 3.20). Their expenditures made while travelling for personal purposes within country of station should be out-of-scope as well.

UNWTO should add a line for crews in the panel for scope of persons covered and a line for crew spending in the panel for scope of expenditure. In the panel for scope of expenditures, are the “yes/no” for types of expenditure intended to apply to all arriving non-residents who are in-scope? Again, there is a seeming inconsistency with respect to the treatment of expenditure on valuables. We agree with the figure, that these expenditures are out of scope, but in places in the text it seems that only expenditures on valuables above the custom thresholds are out-of-scope. UNWTO needs to review the text for consistency on valuables. Last, this table could be split in two – see our comments on section 8B.

Section 8C could be reformulated as chapter 8 on “Recommendations on tourism statistics at sub-national levels”. The text needs to be reviewed in this light with the aim of drawing out and emphasizing some useful recommendations for the development of regional tourism statistics.

8.27 The use of different criteria to define the usual environment in different regions of a country will create inconsistency in the estimates. It would be difficult for regions to compare themselves. As well, this means that there are no national criteria for the country, that is, there is no national definition of tourism. We propose that the UNWTO provide a set of criteria that can be applied across the regions. While there may be compromises to be made, this will promote consistency and preserve additivity among the different figures available.

8.32-8.34 If this recommendation is accepted, what are the resulting national aggregates? If a person is a non-visitor at the trip level but a visitor in a visited region, should this person be included or excluded in the national tourism statistics? How does one evaluate how much a given region contributes to tourism at the national level? Since this will increase significantly the collection of tourism statistics, as well as the response burden of respondents, we recommend against it.

Lastly, if the UNWTO is proposing to take into account tourism regional visits in non-tourism trips, it should as well propose to exclude from tourism statistics the non-tourism regional visits from tourism trips. This means that if we want to implement this, then the definition of tourism and a visitor should apply at the region (or visit) level and not at the trip level! See as well our comments on paragraph 3.20.

8.41 According to 8.32, surveys should be directed at travelers that are not visitors at the national level. So, one has to survey every person visiting the region because what matters is that the person does a tourism visit in the region, regardless of his status at the national level.

8.42 It will be impossible to have consistency if the list of tourism characteristic commodities varies from one region to the next. Moreover, consistency with the national survey will be difficult to achieve because a visitor in the region visited may not be a visitor in the national survey. In order to achieve this, the regional survey will have to determine if that respondent qualifies as a visitor in the national context. Last, it will be difficult to survey those that stay with friends and relatives and this is an important segment of visitors to a region.

In order to make comparison between the supplement survey and the national survey, a common set of data about the trip, the visits and visitor must be collected in both surveys, which means that the same information will be collected twice.

Also, the comparison will need to factor tourism visits in non-tourism trips.

Section 8D on tourism and sustainability while interesting does not make a single recommendation, so one must question its inclusion in this document. We would suggest removing it altogether and putting instead a strong statement up-front in section 1E to the effect that tourism and environment will be a high priority moving forward for the UNWTO/UNSD. Some explicit references might also be given to important work completed or ongoing in this area (e.g. the UNWTO guide on indicators of sustainability, etc).

Glossary – in IRTS v1 and V2 a Glossary was “pending” but now there is not even a mention. Is this to say that there will not be a Glossary, or was this just an oversight?

Annex 3: The first page of this Table is missing.

F2	Chris Jackson	Canada	Central Statistical Office	MODIFICATIONS TO THE TEXT
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CHAPTER 1

1.1. Tourism is generally defined as the activities of persons identified as visitors. A visitor is someone who is traveling for pleasure, business, health, education or other purposes.

1.2. Tourism comprises the activities of all these categories of visitors. This scope is much wider than the common perception of tourists as including only those traveling for personal reasons.

1.3. The notion of activities encompasses all that visitors do in preparation for a trip or while on a trip. It is not restricted to what could be considered as “typical” tourism activities such as sightseeing, sunbathing, visiting sites, practicing or watching sports, etc.

1.4. Tourism is a demand-side phenomenon, that is, it relates to the activities of visitors as consumers. However, it can also be approached from the supply side as a set of productive activities that cater mainly to visitors, or whose main output represents an important share of consumption by visitors.

1.8 Change “those of the other” to “those of other”

1.12. The *Recommendations* recognized that the definitions and classifications put forth therein reflected the work carried out by other international and regional organizations, in particular:

1.13. Since the Ottawa Conference, not only have many of the initiatives presented in the *Recommendations* begun to materialize but a number of countries also initiated or further refined their Tourism Satellite Account (TSA). Within the private sector, the World Travel and Tourism Council (WTTC) also developed its own initiatives guided by similar objectives.

1.16. Within OECD, work was undertaken in the mid 1980’s in order to establish linkages with the analytical framework of national accounts. Data collection and analysis organized within the policy-oriented framework of the Tourism Economic Accounts (TEA) started in 1991. Based on this development, OECD provided ongoing guidance to member countries on how to develop comparable accounts, using national accounting principles and emphasizing linkages of tourism expenditure with other important economic aspects of tourism, notably employment. In 1997 the OECD Tourism Committee made its first proposal for a tourism satellite account for OECD countries.

1.18 Change “1999 was the opportunity” to “1999 provided the opportunity”

1.21. At the level of international organizations, tourism was increasingly viewed as a promising area of economic activity that could become a structural part of poverty alleviation and sustainable development programs in addition to its previously recognized role in fostering global competitiveness of international trade, wealth creation and regional development. The role of the UNWTO in this context has been particularly outstanding. This was recognized by the international community in 2004, when the UNWTO was transformed into a specialized agency of the United Nations, and began to participate in the general coordination mechanism of all agencies involved in supporting the compilation of tourism statistics.

1.22 Change “review of most of the international” to “review of international”

1.23 Change “carried on” to “carried out”

1.25. A number of issues arising from these discussions were addressed, as follows:

1.26 Change “have also been guided” to “have been guided”

1.28. Concepts, definitions, classifications and indicators contained in the *International Recommendations on Tourism Statistics* should be viewed as a foundation of the System of Tourism Statistics. As such, they should be used for coordination, reconciliation and interpretation of all the information produced by all stakeholders in the area of tourism.

The development of a System of Tourism Statistics is closely linked to the implementation of the second international standard approved by the United Nations Statistical Commission (UNSC) for use in compilation of the Tourism Satellite Accounts (TSA). In fact, the TSA provides the internal reconciliation framework for most tourism statistics as well as with other economic statistics. From this perspective, it should be seen as an instrument to assist countries in the identification of data gaps and to guide them during the revision of existing data sources as well as in the development of new sources.

1.30 Change “Statistics and therefore the compliance” to “Statistics. Therefore, compliance”

1.43. Most of the recommendations in the present document that mention the term “country” can be easily transposed, other things being equal, to a different geographical level, using the terms “region” or “place” instead. In this case, the term “region” might refer either to an area within a country or to a group of countries, and the term “resident in a country” can be replaced by “usual resident in a region or place”.

1.44. A Compilation guide which will be periodically updated, will complement this framework. The Guide is intended to give indications to countries on how to implement these *Recommendations*.

1.45. In addition to the Compilation guide, the UNWTO will prepare, in cooperation with UNSD, an implementation program that includes initiatives such as:

1.46 Change “estimating supply and will consider” to “and estimating supply. It will also consider”

CHAPTER 2

2.2. Tourism (see paras. 1.1. and 1.3.) is more limited than travel and covers specific types of trips: those that take the traveler outside his/her usual environment (see paras. 2.10. to 2.12.) for less than a year and for the main purpose other than being employed by a resident entity in the economy visited (see paras. 2.27. to 2.31.).

Individuals when taking such trips are called visitors. Visitors are further subdivided into two types: tourists (or overnight visitors), if the trip involves an overnight stay, and same-day visitors (or excursionists), if the trip does not involve an overnight stay

“Tourism” is therefore a subset of “Travel”, and “visitors” are a subset of “travellers”. These distinctions are crucial for the compilation of data on flows of travelers and visitors and for the credibility of tourism statistics.

2.6 Change “conceptual frameworks are also totally applicable” to “frameworks are also applicable”

2.7. Within the context of the study of domestic tourism and of the measurement of tourism activity at a sub-national level, **it is recommended** to classify non-residents of a particular region in a given country according to their place of usual residence, as defined in accordance with the practices in household surveys. An individual has only one place of usual residence within his/her country of residence and it is the place of usual residence of the household to which he/she belongs. Determining the place of usual residence, and thus the primary home of a household, is not always straight forward as some individuals might stay for long periods in more than one place (e.g., retirees) and thus have strong links with more than one region (see Box 2.2). This issue will be addressed in the Compilation guide.

2.14 Change “All other/s” to “All other”

2.15 Change “home/s” to “homes”

2.18. The term trip refers to the displacement by an individual leaving his/her usual environment (see definition para. 2.10.) until he/she returns: it thus refers to a roundtrip. A trip may be made up of various visits to different places. A trip is characterized by its main destination, among other characteristics (see para. 3.9).

2.19 Change “which visitation” to “where visitation”

2.20. An international trip is one with a main destination outside the country of residence of the traveler. A domestic trip is one with main destination within the country of residence of the traveler. An international trip might include visits to places within the country of residence in the same way as a domestic trip might include the crossing of international borders and visits outside the country of residence of the traveler.

2.22 Change “indistinctly” to “interchangeably” or “synonymously”.

2.23. A single trip might include a visit or stay in more than one place. As a consequence, visits to places within a broader geographic domain cannot be added to determine the number of trips to this domain (see also duration of a trip paras. 3.24. to 3.28.). This issue is particularly relevant when trying to relate the measurement of trips at the national level and the number of visits measured at sub-national level (see Chapter 8 para 8.22. to 8.45.).

2.25 Change “over-the-border” to “international”

2.27 Change “traveler the main purpose of which is” to “traveler in which the main purpose is”

2.28. Whether a traveler is deemed to be employed or not in the country (or place) visited is to be based on the existence of an employer-employee relationship. This goes beyond the existence of a formal work contract between a provider of the labor service and a producer (businesses, government and NPISH) corresponding to a resident/non-resident transaction. It will be based on the same criteria used in the Balance of Payments compilation (see Box 2.4) and labor force statistics to determine the cases in which the payment for labor input has to be considered as compensation of employee.

2.29. As a consequence, and applying this criterion, the following are to be excluded from visitors:

- Travellers employed under a short-term contract to work in an economic territory other than that of their residence (e.g., seasonal workers in agriculture, construction, hotels, restaurants and other services), by an employer in that territory;
- Travellers crossing the (national or administrative) border on a regular basis (daily or weekly) in order to work in a country or region different from that of their place of usual residence (e.g., border workers).

2.30. On the other hand, the following travelers crossing the international (or administrative borders) for work or business purposes outside their usual environment will be considered as visitors:

2.40. Transposing the criteria above (see para. 2.33.) to the case of domestic visitors, generates the following formulation: for any resident traveller to be considered a domestic visitor to a place, the following conditions should be met:

- a) The place (or region) visited should be outside the visitor’s usual environment which would exclude frequent trips (see paras. 2.12. and 2.13.). Nevertheless, trips to vacation homes are always considered as tourism trips;
- b) The stay, or intention of stay, in the place (or region) visited should last no more than twelve months, beyond which this place would become part of his/her usual environment;
- c) The main purpose of the visit should be other than being employed by a resident entity in the place visited.

2.42 Change “usual environment in measurement” to “usual environment” and change “overtime” to “over time”

2.43 Change “do not allow to provide” to “do not allow”

2.44. Moreover, **it is recommended** to combine the crossing of administrative borders with distance traveled to establish the limits of the usual environment for the following reasons:

2.44c Change “might lie very” to “may be”

2.45. For most countries, inbound tourism constitutes their main focus of interest when trying to measure tourism and its economic implications in particular because such tourism creates globally, for the whole economy, an additional demand on goods and services and infrastructure.

2.46. The interest in measuring flows on inbound and outbound travelers, and identifying some of their subsets is also shared by Balance of Payments. **It is recommended** that countries promote joint efforts of National Tourism Administrations, National Statistics Offices, BOP compilers and border control authorities.

2.48. The main aim for tourism statistics is to identify travelers, and then to separate out visitors and other subset of travelers. In this process, some categories of non-residents are specifically relevant for compilers and analysis:

2.53 Change “over the border the” to “over the border. The”

2.56 last sentence. Change “difficult to identify and the Compilation guide” to “difficult to identify. The Compilation guide”

2.57 Spell out “E/D” as “Entry/Departure (E/D)” as this is the first time.

2.59. Because there are no international borders to cross, the observation of the flows of domestic tourism requires the use of surveys and eventually counting traffic flows at administrative borders or other types of procedures in order to establish a universe. For many countries, the economic contribution of domestic tourism, as a TSA exercise has frequently shown, is more important than that of inbound tourism.

CHAPTER 3

3.2 Change “characteristics of the visitors” to “characteristics of visitors”

3.8 Change “expenditure are pooled” to “expenditures are pooled”

3.11 Change first occurrence of “trips” to “trip”.

3.15, item 2.8 What is “n.i.e.”?

3.19. Besides the activities associated with the main purpose of the trip, visitors may undertake additional activities considered as secondary, whose identification may be relevant for planning, promotion and other analytical purposes.

3.21. A “tourism product” represents a combination of different aspects (places visited, modes of transport, forms of accommodation, specific activities at destination, etc.) around a specific center of interest such as nature tours, life on farms, visits to historical and cultural sites, visits to a particular city, the practice of specific sports, the beach, winter sports, etc. This notion of “tourism product” is not related to the concept of “product” used in economic statistics but rather to that used by professionals in the tourism business.

3.24. The volume of tourism can be characterized, not only by the number of trips, but also by the number of nights stayed on these trips. For this reason, the duration of a trip is an important tourism statistic. It is also valuable for the estimation of tourism expenditure globally because the two are highly correlated.

3.25. The total duration of a trip as perceived and reported by a visitor may be different from the sum of the durations of the different stays in the places visited. This makes it difficult to use mirror statistics that involve establishing flows and characteristics of inbound tourism on the basis of statistics on outbound tourism of the countries of origin of the visitors.

3.27. Overnight trips should be grouped by classes according to the number of nights. Each country should determine the categories that are relevant in its own context. Long stays (4 nights and more) should be separated from short stays (less than 4 nights). In the case of international tourism, long stays might be further subdivided consistently with the different categories of stays approved by immigration authorities and their duration brackets so as to facilitate collaboration. In some countries, in particular in the case of domestic tourism, it will be relevant to identify, short and long weekends, involving 1, 2 or even 3 nights. In countries where the tourism of retirees visiting their vacation homes is important, some categories of very long stays might need to be established.

3.32 Change “or on the one used to cross” to “or on the mode used to cross”

3.34 Change “new types of forms of” to “new forms of”

3.36 Remove “and sectorial”

3.45. The Entry/Departure cards, or records of entry and departure, captured and reconciled by the immigration authorities are often the basic source for establishing the flows of inbound and outbound visitors. These cards usually collect information on name, gender, age, nationality, current address, date of arrival (of departure in the departure card), and length of stay (expected on arrival/actual on departure for inbound visitors and expected on departure/actual on arrival for outbound visitors).

3.47 Change “bare in mind” to “bear in mind”

3.49. In some cases, it is extremely difficult to determine the main place of residence of certain travellers as they move frequently from one place (or country) to another while none of them is significantly more visited than the others.

3.51. Countries in which these situations are frequent (countries with an important “population” of foreign retirees for example) **it is recommended** to allow for a “grey” category in which to classify such individuals and to extend this type of classification and treatment also to the analysis of expenditure.

3.52 Change “an operation that requires also to regroup” to “and requires regrouping”

CHAPTER 4

4.1. Tourism can be analyzed from a variety of perspectives, as for instance from its effect on the environment, on local culture, on the landscape, on infrastructure, etc. In the context of basic tourism statistics, the focus is on tourism’s effect on the supply of goods and services demanded by visitors. This chapter provides a definition of tourism expenditure, its coverage, scope, and identifies possible sources of data as well as compilation methods.

4.2. *Tourism expenditure* refers to the acquisition of goods and services through a monetary transaction by visitors for the direct satisfaction of their needs and wants for and during their trips. It includes expenditures by visitors out of their own resources, as well as expenses related to the trip that are paid for or reimbursed by others. It excludes some items covered by the TSA concept of tourism consumption when they need to be estimated using other types of statistical sources or when they do not involve a monetary transaction.

4.3. All individual goods and services that the 1993 SNA considers as consumption goods or services (those that satisfy the wants and needs of individuals) can potentially be part of tourism expenditure (all food prepared and without preparation, all manufactures whether locally produced or imported, all personal services, etc.).

4.4. However, **it is recommended** to separately identify all expenditure on goods, considered as consumer durables (e.g., computers, cars, caravans, etc.) whose value exceeds the custom threshold, and that Balance of Payments statistics and National Accounts include as imports or exports of goods under general merchandise trade. These amounts should be included in tourism expenditure, but excluded from the BOP travel item.

Moreover, because of the importance of the purchase of valuables (e.g., precious stones, works of art, etc.) by visitors in certain countries, some countries might collect information on this item of expenditure. However, **it is recommended** to treat this information separately, as a memorandum item, that should not be included in international comparisons of tourism expenditure.

4.6. Tourism expenditure includes:

- Monetary expenditure on goods and services paid by the visitor out of his/her own pocket or by others on his or her behalf;

Monetary expenditure on goods and services paid by the visitor refunded by a third party, either producers (businesses, government and NPISH), other household or the social insurance scheme;

4.6 Spell out “NPISH” as “Nonprofit institutions serving households” in each case

4.7. Tourism expenditure refers exclusively to transactions involving goods and services consumed by visitors and not to all types of payments. Excluded are all payments that do not correspond to the acquisition of goods and services, and in particular:

- the payment of taxes and duties not levied on products;
- the payment of interest, including that on expenditure made during and for trips (Financial Intermediation Services Indirectly Measured (FISIM) as an indirectly estimated value is not included in tourism expenditure);
- the purchase of financial and non-financial assets, including land, real estate and valuables. The acquisition and current payments associated with timeshares require specific treatment that will be detailed in the Compilation guide;

4.11. The acquisition of all goods and services during a tourism trip is in principle part of tourism expenditure. Included also are goods purchased as gifts to give away or to bring back.

4.14 Change “economy concerned by” to “economy affected by”

CHAPTER 5

5.5. For countries not wishing or unable to adopt this classification, **it is recommended** that they define their tourism industries on the basis of those identified in these *Recommendations*.

5.7 Change “proper to the fact” to “relate to the fact”

5.13. The list of *tourism-specific products* is established, by applying the following criteria:

5.14 Change “other categories of attendants (non-visitors)” to “other non-visitors”.

5.20 Delete “eventually adding other products”

5.23 Change “will permit to focus on both” to “will permit both”

5.31 Change “meals-serving” to “meal-serving” in two instances.

5.35. An interesting and challenging issue has to do with the typical output of activity 8230 *Convention and trade show organizers*, associated with products 85961 *Convention assistance and organization services* and 85962 *Trade show assistance and organization services* in the CPC-ISIC equivalence tables.

5.41 Change “Category 12 been assigned” to “Category 12 is assigned”

CHAPTER 6

6.1., Supply of goods and services to visitors is of great interest in the knowledge and description of tourism in a country. In order for individuals to take tourism trips to a given country or location, an infrastructure of services must be in place to respond to their specific needs. This means that modes of transport and transportation facilities, means of accommodation, food-serving services, recreation facilities, shopping facilities and specific tourism opportunities in terms of sites to visit, recreational or cultural activities to attend or participate in, etc. must be available in the form and in the quantity that visitors demand in order to attract tourism. On the other hand, it is through supply responding to demand that the economic effect of tourism can be traced and measured.

6.4. The homogeneous production unit, (a producing unit that carries out a single productive activity in a single location) is the theoretical unit to be used. However, in practice, the statistical unit that can be observed in most industrial statistics is the establishment.

6.6. In fact, an establishment may have more than one activity. Whether it does or not (from a statistical point of view), will depend upon whether it has been possible to delineate its different outputs. Such a situation of multiple activities carried out in a single establishment often happens for establishments that cater to visitors. For example, most hotels, in addition to providing accommodation services, also provide food serving services to guests and other customers, manage convention centers, etc.; trains, besides transporting passengers, might be serving meals, provide sleeping facilities, etc.

6.7. Each hotel, each restaurant, each travel agency belonging to a chain and operating in a different location will be considered as a different establishment so long as basic information to calculate operating surplus can be provided for each one.

6.17b Change “industry and rest of industries” to “industry”

6.17 h Change to “Information on employment (see chapter 7);”

6.21 Change “For example the” to “For example, the”

6.22 Change “In addition the” to “In addition, the”

6.40 second bullet: change “back the product to the traveller” to “back the product to the visitor”

6.46 Change “two or more travel services” to “two or more tourism services”

6.50 Change “costs to him” to “costs to him or her” and change “commission recognized to travel agencies” to “commission paid to travel agencies”

6.54. The Compilation guide will elaborate on these and other measurement issues as well as the use of international classification of supply-side statistics.

CHAPTER 7

7.5. Due to the above, the recommendations to be found in this chapter are restricted to employment in the tourism industries (see Chapter 6). As already mentioned, (paras. 6.10. to 6.16.) in each country, the tourism industries will include all establishments whose main activity is a tourism-characteristic activity. These tourism industries will usually be common to all countries. It should be noted that persons engaged in secondary tourism-characteristic activities of an establishment belonging to a non-tourism industry (i.e., all establishments whose main activity is not a tourism-characteristic activity) will not be included in “employment in tourism industries” although they would be counted in “tourism employment”. On the other hand, persons employed in an establishment belonging to a tourism industry who participate in the establishment’s secondary non-tourism-characteristic activities will be included in “employment in tourism industries” but not included in “tourism employment”.

7.6. Besides data on *persons employed* and the number of *jobs* in the tourism industries, other measures like *hours worked* or *full-time equivalents* are also required in order to gauge the amount of labour assigned to a particular tourism industry. The different concepts and definitions of employment in the tourism industries, and their interrelationships are given below.

7.7. In order to achieve the most complete coverage and have an accurate measure of employment in the tourism industries, it is necessary to define the most relevant concepts and categories underpinning it. It should be noted that labour statistics have their own international standards that comprise a full range of concepts, definitions and classifications which should be referred to and used when collecting employment statistics.

7.9. The following *operational definition is recommended*: *employment in the tourism industries* comprises all persons above a specified age, who during a specified period, either a week or a day, were engaged in their main job in tourism industries, and who were in one of the following categories: (i) paid employment or (ii) self-employment.

Figure 7.1

Top box: Change to “persons employed in tourism industries”

Two bottom boxes: delete “if satisfy their definition criteria”

7.15 Change “perform labor on” to “work at”

Figure 7.2

Top box: Delete “characteristic”

Box second from bottom: change “referred to the period” to “other reference period”

7C. Change title from “Classifications” to “Characteristics of employment”

7.26 Change “tourism employment” to “employment in the tourism industries”

7.28 Delete “characteristic”

7.30 Change “case of informal establishments” to “exclusion of informal establishments”

7.32 Change “progresses have been made” to “progress has been made”

CHAPTER 8

8.4 4th bullet: change spelling of “employment” and 5th bullet – change “which properly compile” to “which to properly compile”

8.21 Change “These are been promoted” to “These are promoted”

8.41 Change “Household surveys directed towards the visitor” to “Surveys directed towards persons visiting the region”

8.42 Change “These surveys to visitors” to “These surveys”

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INTRODUCTION

The UNWTO should be lauded for moving ahead in terms of fine tuning definitions and methodologies for dealing with tourism statistics. As anyone who regularly conducts research on tourism knows, it is extremely hard – if not impossible - to obtain reliable data relating to the sector's various impacts. Often, it is even impossible to accurately know how many visitors arrive from abroad in a certain country. To be sure, each country reports seemingly basic data such as arrivals, visitor nights, expenditures, etc., but the problem often is that these data are highly unreliable because of measurement inconsistencies.

For instance, if one examines the UNWTO data for European countries, it is evident that the country reporting the highest number of arrivals is the Czech Republic. However, this does not really mean that this country actually receives more tourists than any other country in the EU; in this case all persons crossing its borders are reported, whether or not they are foreigners or locals. It is assumed that certain countries inflate their arrivals anyway (perhaps for reasons of prestige/to make themselves look good on a global league) and so any methodology that makes their arrivals seem robust appears preferable in the absence of a rigorous oversight as to how the data should be collected.

It appears from looking at this draft that the UNWTO is well aware of these and many other problems and, consequently, seeks to make major steps toward improving the reliability of data collection and interpretation on a global scale. This commentary seeks to examine whether the steps the UNWTO are indeed in the right direction and identifies areas where it is felt that there remains room for improvement.

The Need for Data

Why do we need data relating to tourism? Researchers commonly lament the absence of reliable tourism-related data. When considering the economic impacts of tourism, the most types of questions that arise relate to things like: (a) How many people are employed directly in tourism in a certain region; (b) what is the employment multiplier in tourism; (c) what is the income multiplier; (d) what is the contribution of tourism to the GDP of a country or the GRP of a region? But of course there are many more things we want to know. What is the average size of tourism-related establishments in a particular area? What percentage of establishments in the accommodation sector could be classified as small and medium enterprises (SMEs)? How strong in the tourism economy of a certain region compared to the national trends?

These and many other queries preoccupy the minds of academics and policymakers and yet one gains the sense that the absence of rigorous methodologies reduces the degree of seriousness attached to tourism studies. For example, in the United States, despite the evident rise of tourism as an economic development tool in numerous localities, policymakers continue to reduce this sector to a marginal status (not on par with manufacturing or producer services) partly because of the suspect nature of travel and tourism related data. The data that are available very often come from organizations that promote tourism (like the Travel Industry Association or the World Travel and Tourism Council) and given their pro-industry agenda one may well be justified of regarding these data with a degree of caution.

Perhaps one of the biggest problems associated with tourism is that when a community invests large sums of money to construct visitor attractions, like theme parks and convention centers, such projects are rarely accompanied by in-depth and comprehensive feasibility studies (including cost-benefit analyses) highlighting the various potential impacts of the projects. Rather such projects are commonly seen by politicians, governments officials and business leaders as a way to boost the image of the host community. This again means that there is not much pressure to improve the methodologies for measuring tourism-related impacts, a fact that in the long term creates a disservice for those who wish to see more rigorous studies associated with the sector.

Given these issues then, how beneficial will the changes recommended by the UNWTO be for improving our understanding of tourism as a modern-day phenomenon. Do the recommendations alleviate some of the most serious problems associated with tourism statistics in the past? And, importantly, how important are these recommendations for assessing tourism at the sub-national level. These questions are among the issues addressed in the rest of this report. The comments which appear here sequentially relate to various paragraphs of the UNWTO draft report.

CHAPTER 1 – DEFINITIONAL ISSUES

It is imperative for academics as well as policy-makers and the tourism industry to have a robust definition of what tourism as a phenomenon and activity actually is. Is tourism an industry? If not, why not? Is it, as some commentators have written a “partially industrialized” phenomenon and activity incorporating both tangible and experiential products? Should it be reduced to its “industrial” components to make it more comparable to other more “mainstream” sectors like manufacturing or producer services? To what extent can the concept of commodity chains (something that some analysts have recently alluded to) be applied to tourism? How do we distinguish the intangible experiences that a tourist derives when visiting a destination from those he or she obtains directly from tourist suppliers? Indeed, what exactly is the tourism product?

The first chapter of the draft report goes some way to explain how tourism is both a demand-side and a supply-side phenomenon but it does not appear to acknowledge the volume of research that has been undertaken over the last 15 years in terms of better understanding tourism as a phenomenon, and how it is organized and produced. Admittedly, it is easier to examine the demand side and supply side separately but ultimately such an approach does not get away from previous problems, which fail to disentangle the consumer from the product. We mean that it is crucial for UNWTO to address this issue?

On the plus side is the fact that the chapter indicates an attempt to improve measurements that relate to both the demand side and the production side. Also, the call for countries to standardize their methodologies is long overdue and welcome. The only problem, however, associated with standardizing the data gathering and reporting among member states of the UNWTO is that in many countries legal instruments make it difficult to disaggregate data (for confidentiality reasons) a problem that complicates matters for analysts in certain occasions (especially at the sub-national level) to measure tourism’s contribution.

The table indicating the difference between the present recommendations and those of 1993 demonstrates much improvement. One suggestion, however, is to examine the North American Industrial Classification System (as a good model for that of other areas) because the way it is set up now is very helpful for measuring employment and number of establishments in tourism related sectors even for counties and metropolitan areas. If one attempts to do the same exercise in the European Union, very few countries (e.g. Denmark) have accurate data available by industrial classification category for sub-national units (e.g., metropolitan areas or counties). While the problem of unavailability of employment data by industrial sector at the sub-national level is not the direct responsibility of the UNWTO, this organization and other international agencies, such as Eurostat, can play a key role by stressing how important it is for the statistical services of individual countries to collect and report such data at sub-national levels.

CHAPTER 2 – DEMAND

All in all, this section is comprehensive. There are some question-marks regarding the definition of country of residence of a household. In the report it mentions that the territory of residence for a household (in the case where there is more than one) is the one where most time is spent. That may be true but should it not be (in terms of defining a tourist) the place from which the households derives its principal income? For instance, are Canadian “snowbirds” who spend considerable time per year in Florida (in their second residences) tourists in that state? The answer should be “yes” as they are spending their income or their pensions which comes from Canada in Florida. This should not matter if they spend 3 months or 9 months in Florida.

Also, the chapter cautions against looking at a person from a certain household as a part of that household, if that person moves away (out of the region or abroad). What about a student, though, who is funded by that particular household and draws no remuneration whilst abroad? If that student is

bringing foreign exchange into the host country where she is studying should her contribution not be akin to tourist expenditure (if the student does not stay for more than 365 days each time she enters the host country)?

An additional area where red flags are raised relates to employment abroad (Section B7 – page 19). For instance, it is mentioned that if someone – say a professor on sabbatical – comes to another country as a guest of an institution and he/she receives payment for his/her services then he/she cannot be counted as a tourist. But, what if that person only receives partial compensation that does not cover all her costs? What if she brings her family with her for part of the year and they all spend considerable sums (of money earned in their homeland) on travel throughout the host country? Wouldn't that person count at least partially as a tourist?

On page 24 (E2) there is a recommendation for filling in border entry cards, and, in the case where borders have disappeared, to undertake surveys at places of accommodation of popular tourist attractions. This approach may work to a certain extent but does not allow for the fact that visitors will soon get tired of filling such surveys in (can they be made mandatory?). In the US, for instance, it is extremely hard to estimate tourists arrivals in each state due to the porous nature of the state borders and so, even with surveys at popular attractions or accommodation establishments many persons are missed. It is not entirely clear how the recommendations of the UNWTO will alleviate this problem.

CHAPTER 3 – DEMAND PERSPECTIVE

The approaches here sound reasonable. One quick note is that in the case of some border crossings it may be hard to convince people to provide full information in entry or departure cards; cultural reasons or political mistrust may inhibit this method of survey.

CHAPTER 4 – TOURISM EXPENDITURE

Issue may be taken with paragraph 4.4 (page 38). Here it is mentioned that "it is recommended to exclude from tourism expenditure all expenditure on all goods considered as valuables or consumer durables (e.g., computers, . . .)." The recommendation, instead, is to treat such expenditures as a memorandum item. The one problem with this approach, perhaps, is that in certain instances the main motivation that is driving the tourist to visits this particular country or region is, precisely, to purchase such consumer durables. In other words, tourists would not come to certain areas if it was not for their cheaper (than in the origin country) consumer durables. In that case doesn't the considerable expenditure on such items factor in as tourist expenditure in the same manner as if these visitors may spend money on a visit to a theme park or a zoo (particularly if the consumer durables are manufactured in the destination)?

Yet another question relates to paragraph 4.13. It is not entirely clear what is meant here. If one buys a Lonely Planet guide at their local bookstore before one embarks on a trip abroad does the expenditure for the guidebook constitute tourism-related expenditure? This is what paragraph 4.13 seems to imply. By the same token if one buys sun-tan lotion before one's trip because it will be more expensive at the destination, is this tourism expenditure? This does not make much sense, in part because it would be next to impossible to figure out who was buying the Lonely Planet for armchair reading as opposed to actually taking a trip. Can this issue be clarified further?

Another problem relates to paragraph 4.25. Here, a recommendation is made for using information collected through credit cards – where applicable. The question that arises, is that data source not proprietary? Does the collection of data through such a vehicle not constitute an infringement on consumers' rights? And what about the regions/countries where the use of credit cards is limited (perhaps because of banking laws or just because most businesses do not want to pay the credit card fees)?

One issue that could be of use, however, is that many credit card companies now create annual reports for their consumers in which they analyze in what categories (by ISIC code) expenditure was incurred. Whilst, this may not be a perfect system (given that some of the expenditures may have been for purposes other than travel) it certainly serves as a reminder for the consumer as to what amount of the household income was spent on travel-related products over the course of a year.

CHAPTER 5 – ECONOMIC CLASSIFICATIONS

It is good to see (paragraph 5.42) that allowances have been made to take medical or educational tourism into account in regions where these activities constitute a large portion of expenditures.

CHAPTER 6 – THE SUPPLY PERSPECTIVE

All in all this is extremely informative and goes a long way towards understanding the infrastructures that supports tourists on their way to a destination and at the destination. Some reference is made to small and medium enterprises (SMEs) and the problems of defining what these entail are highlighted. It is well known that within the accommodation sector, for example, there is no international definition as to what constitutes a small-scale hotel (an SME). Some countries report all establishments regardless of their number of bed space or employees. Others only report establishments that exceed a certain minimum threshold and, thus, this means that the accommodation sector for certain countries is significantly reduced, whilst for others it may be overplayed.

The UNWTO mentions the need (paragraph 6.23) for common groupings to be agreed upon but perhaps the recommendations should be more tangible. It is not so much the statistical services that know what data are required but the tourism agencies (including the UNWTO) should set the guidelines as to what statistics they require (with regard, for instance, accommodation establishments). Is there a set of standards that could be recommended for each country (and its respective sub-national units) to adopt?

In paragraph 6.40 (regarding travel agents) mention is made of the ways in which travel agencies receive gross incomes. What is not clear is the fact that increasingly (especially in the US and Australia, New Zealand) travel agencies charge their customers fees to make up for the dramatic reduction (and in some cases elimination of commissions from suppliers). This needs to be fleshed out explicitly.

In paragraph 6.45 it is mentioned that travel agencies “should be able to provide quantitative information on other related issues . . .” This may be true for large scale agencies that have the capacity to undertake such a task, but the small-scale travel agencies (with a small number of employees), which still constitute the majority of such businesses worldwide would have a problem with these added responsibilities. In what manner, does the UNWTO think it can persuade/provide an incentive for the smaller travel agencies to collect and distribute these data?

CHAPTER 7 – EMPLOYMENT

The points made in the opening paragraphs regarding tourism-related employment are valid. The attempts to better define who is a tourism employee are very welcome. One question that often arises is “what about the food sector?” Should part of this be counted as tourism and if so how is this to be estimated? The same can be said about retail in certain areas? Failure to count the restaurant sector in an area like Las Vegas would lead to a significant under-count of tourism employees but by the same token if all food sector employees are counted then the tourism labor force will be exaggerated. Are there any recommendations for dealing with this and other similar issues?

In paragraph 7.26 an excellent point is made about reconciling various statistical sources in order to obtain a superior picture of the people employed in tourism. One issue that has to be highlighted, however, is that this may be easier said than done because most household surveys (including the census of population) go by the place of residence of the individual whereas establishment surveys (industrial surveys or economic surveys) go by the place of occupation. In the case of a certain tourism-oriented city (for instance one that is affluent and where the housing prices are high) the census information may not give an accurate picture as to the city’s employment profile since most of the workers may be day employees coming in from surrounding regions.

Yet another major problem that arises from establishment-based surveys is that (a) small scale establishments may not report full information because of confidentiality issues and (b) in cases where a locality only has a small number of establishments the data is often aggregated (and not reported for many issues like total labor force) – again because of confidentiality. Is there a way around this problem?

CHAPTER 8 – MACROECONOMIC FRAMEWORKS

It is correctly mentioned in the opening of the chapter that tourism is an increasingly important international traded service. The chapter goes on to describe the RMF-TSA recommended compilation of the 10 tables within the TSA framework (8.7). It also describes the procedure for Tourism and Balance of Payments (8.9 – 8.21). Finally it focuses on the topic of sub-national level of tourism statistics (8.22-8.45), and the issue of tourism and sustainability as well as modelling or macro-accounting and indicators.

The main question here is whether it is possible for the countries to carry this out in conjunction. UNWTO must be aware of that member countries are at very different stages of compiling TSA tables and tourism statistics. How many countries do now have the necessary tourism modelling framework for conducting comprehensive tourism impact analysis? How many countries can link tourism with social, economic and environmental consequences?

We suggest that UNWTO clearly identifies the goals and tasks for each stage that member countries should follow. For example:

Stage 1: 1-7 TSA tables for compiling inbound, outbound tourism statistics and tourism industry output, GDP and employment.

Stage 2: Link tourism statistics to Balance of Payments

Stage 3: Sub-national tourism statistics

Stage 4: Economic modelling (other methodology for measurement) to calculate several indicators, such as tourism income multipliers and employment multipliers.

Stage 5: Tourism and sustainability: tourism is linked to environmental and socio-cultural impact analysis.

We believe, that if UNWTO can provide a stage plan and process, it would be possible to track and monitor which countries are at which stages and what level.

Chapter 8 D Tourism and Sustainability:

If there is one area that the recommendations of the UNWTO are disappointing it is on the topic of sustainability. Granted, the UNWTO has done more work than any other agency on this topic and has produced numerous reports (including the very welcome recent study on indicators). But it would have been valuable to see a little more in-depth discussion on the issue of measurement of impacts on the socio-cultural and environmental fabrics of destinations.

Almost the entire report on recommendations deals with economic-side data (a necessary evil) but are there recommendations for standardizing measurements for certain key physical and cultural/social impacts relating to tourism? Some discussion is made – in brief - about expanding the TSA to incorporate environmental accounts. Could this be elaborated further? Also, no reference is made about cultural impacts? If we are to discuss tourism within the framework of sustainability there is a need to flesh out the manner in which such impacts can be measured.

One approach to statistically capture the sustainability dimensions of tourism in an integrated approach, could be to apply the methodology and framework used by the European Environment Agency, of course complemented with more economic and socio-cultural data.

Type of indicator	Name	Data needed
Drivers	Development in GDP and income levels National and regional tourism policies and strategies to promote tourism development	GDP Income Growth oriented policies for tourism – yes/no?
Pressures	Changes in visitor numbers Changes in household expenditure on leisure and tourism Changes in forms of transportation for tourism Changes in demand for land for development	Visitor numbers Household consumption on leisure and tourism Means of transportation for travel and tourism Land use/land cover for tourism purposes/development for tourism

State	Number of visitors Visitor expenditure TSA Waste generated from tourism Water consumption related to tourism Waste water emissions to natural waters Transportation patterns Loss of habitats	Visitor numbers Visitor expenditure Data needed for generating TSAs Amount of waste Water consumption Waste water emissions Passenger numbers for various forms of transportation
Impacts	Land use for landfills Emissions from incineration of waste TSA Drought Salt penetration Water quality (inland and coastal) Loss of biodiversity Coastal erosion	Emissions from waste treatment Consequences of water consumption Coastal and inland water quality
Responses	Eco labelling in tourism Blue Flag for beaches and marinas Sustainable tourism policies, strategies and programmes	How many establishments have official tourism eco labels or environmental managements systems in place? Part of Blue Flag – yes/no? Policy, strategy, programmes for sustainable tourism development – yes/no?

CONCLUDING REMARKS

The UNWTO's 'International Recommendations on Tourism Statistics' constitute a welcome report, a serious attempt to extricate researchers from the methodological quagmire associated with travel and tourism measures. The suggestions, overall, are on the right track. On the demand side considerable effort has been placed on further defining what exactly constitutes a 'tourist'. Moreover, improvements have been definitely made in terms of better understanding the supply-side of tourism.

Questions still remain regarding certain instances where the traveler may be visiting a place for more than one reason (e.g., business or study and pleasure). For instance, while a student abroad does not count as a tourist, if that student is spending money from his or her home country in the host country (and not earning money in that country) then in some cases they may be double counted as tourists (especially if the student is participating on a mini course such as one lasting 6 months).

Furthermore, how do we ensure that problems like double counting are avoided? Or how do we deal with retirees who spend most of their year in their second homes abroad (away from the domiciles where they draw their pensions from and where they file income tax returns)? Are they tourists? After all, they are injecting a lot of foreign exchange into their host environment.

Despite such problems, which are relatively minor, the important thing to understand is that tourism, by its very nature is extremely difficult to classify neatly as an activity. What the UNWTO has done is basically attempt to create a set of guidelines to ensure that there is a higher degree of standardization in terms of data gathering from country to country. The downside is that there is no guarantee that all countries will practice the same degree of competence when gathering and reporting travel and tourism related data and at this moment there seems to be no firm way to police this. Also, because a lot of the data gathering depends on surveys, there is no guarantee that accurate information will be gathered in places where for cultural or political reasons residents are unlikely to be very forthcoming with their answers.

Effectively, a main problem that remains is that it is hard to see how these recommendations will actually be implemented? What incentives are there for various countries or sub-national entities to improve their data gathering and reporting? This needs to be addressed.

Finally, it would be extremely beneficial if the draft report is expanded to further incorporate the concept of sustainable development based on an integrated approach, instead of addressing it as a side-note at the very end. This brings us to the pertinent question: For what purpose do we need improved tourism data? There are, of course, many reasons but in final analysis it is the questions that should be driving the data collection and not vice versa. If sustainable development is used as the conceptual framework within which these questions can be formed then the UNWTO and all other agencies that deal with travel and tourism (international, national, or local) can have a superior grasp of what is needed in terms of data collection and analysis.

REFERENCES

The comments put forward in this paper is based on a number of research, policy and development projects and reports produced at the Centre for Regional and Tourism Research, Denmark, of which the following should primarily be accredited:

D Ioannides, P. Billing et al. (2006) *ESPON Draft Final Report 1.4.5: Preparatory Study of Spatially Relevant Aspects of Tourism*. ESPON Monitoring Committee.

J. Zhang, B. Madsen and C. Jensen-Butler (2006): *The Regional Impact of Tourism – the Case of Denmark*. Regional Studies.

L. F. Andersen (2006): *Bornholm I/S – en turismestrategi* [Bornholm I/S: a Tourism Strategy]. Prepared for Bornholm's Regional Growth Forum.

L. F. Andersen, ed. (2006): *Strategisk analyse – beskrivelse af interne og eksterne forhold i Bornholms turisme i dag* [Strategic analysis: description of internal and external factors currently affecting Bornholm's tourism]. Prepared for Bornholm's Regional Growth Forum.

CENTRE FOR REGIONAL AND TOURISM RESEARCH

The Centre for Regional and Tourism Research (CRT), which is located on the island of Bornholm, was founded in 1994 by the Danish government. Since its inception, the main objective of the CRT has been to develop research on peripheral areas, focusing especially on tourism. CRT has a distinct international orientation and has a multi-disciplinary staff of researchers. CRT carries out research, applied research and consultancy-based development activities, often in collaboration and cooperation with leading researchers and institutions in Denmark and Scandinavia, as well as internationally.

CRT positions itself within international regional research, primarily by focusing on socio-economic conditions and dynamics of development in maritime regions and rural areas. In tourism, the CRT has an expertise in tourism SME development, and in impact assessment of tourism, and is currently responsible for the Danish accounting of the economic and labor market impacts of tourism, as well as the Danish TSA and RTSAs.

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It was a good reading material for us; it gives a better understanding for the different terms and definition that is used in the tourism industry. Its gives a clear picture of what a tourism term means. At most times we interchangeably used terms without having the knowledge that they are different.

General comments/Chapter 1

- Documentation such as this ensures that definitions, classification and concepts of tourism and its variables will be uniformly understood and used
- These [concepts/classification/definitions] must also be made available and its awareness promoted to other economic/social sectors

Chapter 2:

- The definitions provided along with its recommendation are very clear and gives us a clear demarcation of the common terms that are often used in tourism statistics.
- The way it is written is very simple hence simple to understand even for someone that does not have any knowledge of tourism statistics.
- The definitions are accompanied by criteria's for meeting that definition; this gives a very clear understanding/justification for the definition.
- The point on 2.24 is a critical one and this might be an issue that needs to be considered while we modify/review our IVS questionnaire.
- Recommendation on 2.27 is a good one as well as we often consider foreign people attending to paid work in Fiji as a tourism trip, this is not so under the 2007 IRTS.
- 2.4.1 Recommends the need to have a collaborative approach when it comes to collecting information for tourism statistics; this may be critical to South Pacific Island countries where south-pacific. Travel/SPTO coordinates with all tourism bodies to ensure that they apply compatible criteria which will lead to compilation of comparable statistics.
- Totally agree to the statement on 2.45 as Fiji tourism statistics is mainly focused on the flow of inbound tourism and very little is done on the measurement of the activities of resident visitors in the country of reference and abroad.
- 2.46 needs to be strengthened in Fiji, it seems that there is very little coordination of tourism statistics in the various bodies that collects them. Joint efforts by these bodies are not seen.
- Recommendation 2.47 is carried out in Fiji where International Visitor Surveys are carried out at the departure lounge at the international airports and at the Ports of entries for cruises and yachts. The second recommendation is something that needs to be integrated, for Fiji their needs to be proper coordination between Fiji Bureau of statistics and Ministry of Tourism. FBOS carries out their hotel survey and this could be avenue for MOT to liaise with them on the incorporation of information they require into their questionnaire (things like location, food components, classification of hotels, types of visitors, etc). This would also streamline the number of surveys carried out.

Chapter 3: The Demand Perspective: Characterization of visitor and tourism trips:

A visitor – Refers to someone that leaves his/her country and travel around other countries or places.

A] Personal Characteristic of the visitor

Personal characteristics of the visitors are collected through Entry & Departure cards, Surveys, information collected on accommodation they use, Gender, Age,

B] Characteristics of Tourism Trips:

Tourism trips can be by: Air – sightseeing trip [helicopter ride]
Water - Cruise, Yachting,
Land – Road Tours, Highland, Village tour, visit school & Villages

It can be associated to different forms of tourism like –

- Purpose of the trip
- Duration of trip
- Origin and destination
- Size of the travel party
- Type of transport.

C] Main Purpose of a Tourism Trip.

Holiday/Leisure – this includes sightseeing, relaxing, visit cultural centres, sports, honeymoon,

1. Visit friends – includes family reunion, attend weddings, funerals.
2. Education – attending workshops, conference,
3. Health Care –
4. Religion – attend religious meetings
5. Transit – Stop-over for less than 24 hrs waiting for his/her connecting flight to another destination. Some transit passengers take tours and cruises, taxis while waiting for the flight, e.g. arrive early in the morning and depart late at night.
6. Voluntary Work.

D] Types of Tourism Product:

These represents a combination of different aspects like places visited, transport used, type of accommodation

E] Duration of a trip/visit/stay

In hotels/stay with friends and relatives, we use the number of nights spent, but with Tours and Cruises – hours will be used.

F] Origin and Destination.

This will be their country of residence. Most of the travelers can spent 5 months to 3 years working in another country or travel around the world for more than six months.

G] Modes Of Transport.

Modes of transport used are:-

Air – Helicopter, Private Plane, Schedule flight, unscheduled flight

Water – Cruise ship, Yacht, Ferry,

Land – Railway, Taxi, Rental cars, Bicycle, Motor bike, Coach, Limousines, Buses

H] Types of accommodation:

Hotels, Motels, Resorts, Private Home, Home stay, Rented Flat, Time – Share, Campus,

I] Measuring the characteristics of tourism trips and visitors.

The characteristics of trips and visitors are usually established through questions, or Entry/Departure cards or household surveys for domestic tourism. Usually the Immigration Department collects and keeps records of the information on Entry/Departure cards from visitors.

Chapter 4:

- The definition of tourism expenditure, its coverage, scope, possible sources of information and compilation methods for tourism expenditure are well documented and explained in this chapter and the recommendations are very practical. This means that these are areas that could be adopted to better the collation of tourism statistics in Fiji.

Chapter 5:

The Demand for Fiji from the tourism industry is high but it depends mostly on the production of goods and services that the economy provides

Mostly tourist's states that Fiji is a Beautiful country but prices of such goods sold at local markets and handicrafts are way past their price range. When returning from Asian countries which tourism structures are similar to ours as they say.

Some productive activities that hotel provides does not satisfy the tourists in outdoors activities. So I think we should encourage hoteliers and resorts to provides more energetic activities for the tourists and visitors that are visiting our shores, to persuade them to come back for another visit.

In providing better products for Fiji tourism, for the tourists who are visiting at the moment they will tend to also market the country while visiting other countries and that will be a boosting for the industry...

Chapter 6/8

Supply perspective: concepts and definitions

- Clear definition of supply – modes of transportation facilities, means accommodation, recreation facilities shopping and specific opportunities such as sites visits cultural activities.
- Also provides guidelines to establish a stronger source of information on the supply side of the tourism products
- Its also provides information on the different type of classification – this done through the establishment which are classified according to their main activity which is determined by the activity that generates the most value added. The activity is determined by the identifying the tourism characteristic of each activity.
- Explanation on the characterization of the tourism industry – *As a consequence it is possible to identify those establishment whose mains activity is a tourism characteristic activity as defined in the previous chapter the grouping of establishment performing the same tourism characteristics activity as the or main activity will be called a tourism industry.*
- It gave us a better understanding of TSA how tourism is associate with other macroeconomic framework. As we have already complied TSA 1995. and assist in completing the TSA 2002
- Better understanding of the description and measurement of tourism. In the different forms (inbound, outbound and domestic)
- A better understanding of the relationship of TSA. BOP, NA and so on

Additional comments: Chapter 6

- chapter highlights the importance of understanding and using tourism concepts, classifications and definitions not only from the demand side but from the supply perspective as well
- For Fiji TSA our product is classified under 2 major groupings, Tourism Characteristic Products and Tourism Related Products, once IRTS is set and adopted, it will assist and ensure uniformity in the characterization of such classifications

Chapter 7:

The explanation about the employment in the Tourism sector is very straight forward and it's pretty clear. The individual break down of the different types of employment is straight forward. The different employments in the tourism industry are all vital and therefore there is a need to continue this employment on a continued basis as it all contributes to the Tourism Industry.

We should try to follow the recommendation of the six key variables show that we can have an adequate analysis of employment in the Tourism industry.

We should also have to take into account the data collection for measuring employment and should be incorporated in our national statistics so that we can have a fair idea of the detailed characteristics of people employed in the country.

Additional Chapter 8

- adoption and adaptation of the general definitions, concepts, classifications, aggregates and tables is instrumental in ensuring uniformity in TSAs in all WTO countries...also enables easy comparisons and understanding of the system
- The TSA system proposes a set of 10 interrelated tables and TSA Fiji has drawn from this covering the different categories proposed which include consumption by visitors {Tables 1-4}, production in tourism industries, GDP, employment, etc.

There is a lot that we can adopt from this documentations to improve our methods of business processing .As we are trying to use Tourism as Driving Fiji Towards Developed National Status the recommendations made by UNWTO will assist us in achieving what we have planned to do.

General comments on the document:

- Upon confirmation of this document, we are thinking of inserting the definitions from the recommendations into our Public Drive (MIS) for the access of all staff. This would ensure uniformity in the definitions that we use and provide to our stakeholders since at times we interchangeably use terms without realizing that they are differences in definitions.
- The recommendations stated in the document are a very useful guide to us in the execution of our programmes and a better understanding of the correct meanings of terms that are often used in tourism statistics.
- The explanation and the recommendations give us a better understanding of the work we do. Before we do the work, especially collating of data, analyzing without knowing or even understanding the importance of carrying out such task. Now, the work we carry out is more meaningful because we actually know the reason and the importance of doing so and also understand the impact of what we do to the work of others in the Department.
- The document also enlightens us that the nature of tourists we attract depends on the type of products that we offer. The reading shows us that it is critical to understand the purpose and the process of getting a product to its final stages – ready to be sold to the tourist. It will also help us to continuously update our Tourism product Listing as products changes when demand changes.
- As was mentioned above, the documents provide us with good background information on the profiling of our segments and the understanding of TSA compilation, it gives us the steps for TSA as we do not have the technical expertise for TSA.
- Having read the document, we felt that there is a need to coordinate all tourism surveys. Line agencies needs to engage more in dialogue and come up with a survey that incorporates information that other users would need from hotels/resorts and tourists. This might take a while to implement but it would be a good idea to try it out because at times tourism operators and tourists fill many questionnaires that serves that same purpose and could be incorporated into one.

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According to the considered aspects we should consider the following:

- In a tourism perspective, we consider that the business visitors escorts should be seen as also visitors, since their behaviour and plans are the same as of regular visitors. (Box 2.1)
- We find the need to keep some analysis criteria in a non-clear situation example when considering the “usual environment” concept, as formerly predicted in paragraph 2.19.
- the concepts related to tourism expenses categories are shown in a clearer way.

J	Isabel Quintela Vanda Dores Teresa Hilario and Isabel Francisco	Portugal	Central Statistical Office
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According to the considered aspects we should consider the following:

1) Concept of visitor and exclusions

We consider that it is very important that all the references to the concept of visitor (para 2.22), to what concerns the subject "... and for the main purpose other than *being employed by a resident entity in the economy visited*", should always include reference to paras 2.27 to 2.31. It is very important to focus the situations that are included and excluded in the criteria of "being employed by a resident entity in the economy visited" when applying this sentence.

2) Comment on Box 2.5 and para. 1.26 b)

The present Recommendations are "consistent with the definitions and classifications used in the National Accounts, Balance of Payments, [...]" (para. 1.26). In box 2.5 it is recognised the difference that exists between Tourism Statistics and National Accounts (SNA) concerning the term "domestic".

The basic concepts that a TSA follows should be the same of the SNA and for harmonization purposes the recommendations of Tourism Statistics should be also in line to what is generally accepted.

The concepts that are mentioned in the Recommendations can not be specific of basic statistics. Instead should refer to a broader reality that covers not only basic statistics but also TSA concepts and National Accounts. The definitions that already exist and are not changing in this new version refer to the concept domestic and internal. These denominations are misleading with the concept "domestic" in the National Accounts.

It is our suggestion that concepts are harmonized and therefore we propose to call "domestic to what is considered as "internal" in this document to be in line with all macroeconomic designations. In macroeconomic statistics the term "Domestic", as you all know, refers to flows that occur in the economic territory by residents and non-residents. This should be the scope of domestic in Tourism as well. For the touristic flows in the economic territory by residents should be interior or internal. This makes more sense and less confusing and the revision of the Recommendations is the opportunity to harmonize these concepts between Tourism Statistics, National Accounts and Balance of Payments.

3) Comment on para. 1.46

It is important to include National Statistical Office and Eurostat in this process of institutional arrangements for the development and improvement of the national System of Tourism Statistics. In the specific case of employment, other institutions (such as Eurostat) and National Accounts experts should be included.

4) Comment on para. 3.33.

In para. 3.33 we don't agree with designation of non-market tourism accommodation for private homes. Non-market in macroeconomic statistics is applied to the output that is, in fact, provided free or at economically significant prices but it is financed by collective financing such as taxes, grants, subscriptions or fees(for NPISH) whereas only a few beneficiate from the service. This is not the case for owner occupied vacation homes which conceptually doesn't fit into the designation of non-market. As a matter of fact the price that can be imputed to a household for owning a second-home is equivalent to a similar home that is rented and the price is far from being free or being a non-economically significant prices. Moreover when these owners lease the use of their second homes on a private basis the amount is far from being free or low price. Not to mention that the owner has regular cost that must financed from their own fund, not form collective funding. In order to be in line with the macroeconomic concepts it is better to call it "non-monetary" or "imputed rentals for own-account use" and leave the concept non-market for the provision of tourism services of Government and Non-Profit Institutions.

5) Comment on para. 4.7

In para.4.7 should be added the financial charge borne by the individuals under the credit that they get for holiday purposes. Even though FISIM is complex variable to estimate at least the bank commissions charged with the borrowing for touristic purposes should be considered at least.

6) Comments on Chapter 5

Concerning chapter 5 and the list of tourism-specific products (annex 3) we have a few remarks:

- We don't understand the existence of credit card services (CPC 71134) as connected products because credit cards are not mainly used for tourism purposes. On the contrary credit cards are used on a daily basis and of course it is used also on holidays. The annual payment is made for the use of it throughout the year and the only amounts that are included in tourism would be the commissions paid for its use outside the territory but when these cards are used within the territory no commission is usually charged nor do the banks or institutions know if the card owner is on tourism trip or not. Moreover the issuers of debit cards should also be recorded and these would raise the same difficulties as credit cards as well as the same relevance. In addition why are the banking imputed charges made for credit under holidays is excluded? In some countries this issue is getting more and more important comparing to credit cards. Therefore we think that these products, including credit cards should be under other products instead of specific products. However we agree with the inclusion as specific products the foreign exchange services.
- Considering motor vehicle services (CPC 71331) and other property insurance services (CPC 71334) we also question its classification as specific products. If these remain then the type of vehicles should be restricted to the vehicles whose use is mostly for holidays. For instance cars should be excluded because the insurance is annually paid and it doesn't cover touristic movements.

We fully disagree with the classification of retail trade of tourism characteristics goods as a characteristic activity. The first reason is that we don't agree with the existence of characteristic goods, because we think that characteristic activities of tourism are only services. Moreover the designation of tourism retail trade is mainly an institutional designation usually used to promote typical products of a certain region. But this doesn't mean that they are acquired only by visitors. In many cases they are acquired mostly by residents of a specific area on a usual way. In addition, retail trade is an industry which for some cases may serve tourism such as duty free shops but in essence there is no industry as tourism retail trade. Therefore we propose that these industries are considered as connected instead of characteristics.

Please, consider the replacement of **typical** output products/activities by **main** output products/activities.

7) Comments on Chapter 6

For the reasons presented above it doesn't make any sense to designate in §6.20 second homes as non-market. By nature this is a market service because the person would pay a market price if rented the same service outside. Moreover we think that the issue of valuing the overnight stay at the house of family friends requires discussion and can not be closed at the moment. Therefore we consider that para.7.31 that it doesn't make any sense. As far as we understand it is necessary to discuss methodologies and consistency in terms of whether it makes any sense to assess this issue. Therefore we propose to leave it open for the next committee meeting.

We would like to have some clarification on the treatment of package tours harmonization (§6.48) between System National Accounts and BOP and tourism statistics. Is this something that will be changed in the new SNA revised? Because in fact the present System of National Accounts treats the package tours a product per se.

8) Comments on Chapter 7

para. 7.5

On this paragraph it is suggested the explicit reference to the tourism characteristic activities.

para. 7.6

We suggest the inclusion of the fact that the volume of employment associated to the volume of tourism output can only be the volume of employment measured in hours worked and FTE. (as to solve paragraph 7.5 problem) Take the example of an employee in a restaurant whose touristic output represents only 40%. As an individual and post it he works for the restaurant as a unit (characteristic units). The associated labour to the 40% estimated as being touristic can only be measured in terms of the respective volume in hours worked (tourism) or FTE.

para. 7.7

We consider relevant the introduction of the sentence: "This chapter has not the ambition of giving methodological guidance for the compilation of a complete system of employment within a tourism context (balance between supply and demand of labour within tourism industries). The guidance for this kind of compilation within tourism industries makes sense in the context of the Tourism Satellite Account (TSA) (and even TSA should be contextualized within National Accounts (NA) standards). Labour is by definition an input in production and the TSA gives the necessary framework for the definition of tourism (characteristic) activities, tourism production, tourism units allowing coherence between production and employment¹. Only with the definition of tourism production in terms of contributing units, it is possible to define, and then characterize, labour in tourism activities."

para. 7.9

Again, we stress the idea that the given definition of employment is probably suitable in the context of standard labour statistics but it is not in the context of TSA (the purpose, as in NA, is to estimate all employment involved in tourism production independently of the age of the worker). In this case, TSA would be against this "tourism standard recommendations". That would mean an inconsistency between both systems.

para. 7.14

Actually we don't think that this is correct. The term "work" is very abstract and it is not an activity but an input. To be more correct from the technical point of view it is better to say "labour is an input that contributes to the production of goods and services."

9) Comments on Chapter 8

We agree with the fact that sub national Tourism aggregates require wider discussion. The same goes for the link between tourism and environment.

In addition, we propose to set up a bridge table not only for travel and Tourism but to extend it to the item "international transport"

One important issue that is not explicitly addressed in the recommendations is a deep description of business tourism. If it's easy to understand a business tourism trips when there's an overnight stay the same doesn't apply for tourism trips where there is no overnight stay. If we apply the usual environment for business tourism as something that the individual does outside the normal activity of the enterprise, then the attendance in conventions and trade shows should be considered as characteristic products because professionals don't attend conventions in their activity area frequently. Anyway this is something that should be covered and specified somehow and should be discussed.

¹ ESA95, §11.03: Labour inputs must be classified on the basis of the same statistical units as used for the analysis of production, namely the local kind-of-activity unit and the institutional unit.

I would like to consider two situations when we are dealing with tourism statistics. This is, if we might say, "the limits of tourism statistics":

- 1) residents using the accommodation establishments situated in their own usual environment. (e.g. for different reasons staying overnight in a hotel/motel situated in your residence locality...)
- 2) leaving the country of usual residence as a visitor and then becoming a temporary/permanent resident for the destination country. This situation occurs when there is a difference between the official purpose of travel and the real one. For example persons who undertaken outbound trips (leave as a tourist), not returning in their home country and then becoming "illegal immigrants" for the country visited. Consequently tourism was used as un "umbrella" for immigration.

L	Ministère du Tourisme et des Transports Aériennes	Senegal	National Tourism Administration
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Par lettre du 09/05/2007, vous avez bien voulu m'informer que le projet provisoire de recommandations internationales sur les statistiques du tourisme (RIST) préparé par l'OMT et la DSHU est disponible sur le site de l'OMT.

Toutefois, vous auriez souhaité que je vous envoie nos commentaires de préférence en anglais afin de faciliter le travail du groupe d'experts au plus tard le 04 janvier 2007.

Le document que vous m'avez envoyé ne suscite de ma part aucun commentaire, sinon qu'il est bien élaboré et qu'il devrait pouvoir servir de livre de chevet à tous les professionnels du secteur.

Cependant, afin de nous faciliter la tâche, de tels documents devraient être disponibles en français en même temps que la version en anglais.

M	S. Ubomba-Jaswa	South Africa	Central Statistical Office
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Comments are based on working with the Arrivals and Departures data collected at the national ports of entry by the Department of Home Affairs.

A. Definition of a tourist

The database on arrivals is the most comprehensive source for measuring the volume of tourists. Whereas the 'duration of stay' to some extent can be measured, the data do not provide information on the other component of the definition i.e. the 'remuneration status' of travellers.

Suggestions:

Effort should therefore be made to distinguish between same-day visitors and tourists from the data on 'visitors'/holiday makers' and other travellers who are on other short time temporary residents (e.g. business) based on duration of stay. Travellers on other permits such as student and work should be excluded.

B. Transit travellers

The volume of arrivals recorded in the arrival database as in 'transit' will always be lower than the actual travellers with transit visas. A traveller with a transit visa is not necessarily admitted into the country for the purpose of, for example, using a different port for departure. Thus s/he does not even become a visitor or spend at least a night and become a tourist. For example, South Africa requires transit permit from nationals of several countries. Some of these international travellers are likely to arrive at OR Tambo International Airport and proceed with their onward trip from OR Tambo International Airport without passing through immigration. Such travellers will therefore not have contact with immigration officials at the arrival counters and be recorded. Hence the volume of travellers recorded as in 'transit' is not the reality and is not meaningful statistics.

Suggestion:

Immigration authorities should treat all travellers with transit visa who have to go through the arrival immigration counter as 'visitors' and not as in 'transit'. The 'transit' category should be eliminated and not published as a purpose of entering in a country.

C. Nationality

Information collected on nationality of travel document tends to be more authentic than that on country of residence mainly from the fact that there is physical evidence (the travel document). Data on country of residence are either collected from entry cards/forms or verbal information from the traveller. The information can hardly be validated. Furthermore restrictions on visas are generally based on the nationality of the travel document and not on the country of residence of the traveller. Hence the flow of travellers into a particular country will, to a large extent, be influenced by nationality rather than residence.

Suggestion:

That, despite the reason that a traveller might have more than one passport, 'nationality' should be considered as part of the tourism statistics. For tourism country specifics, it would be relevant to know not only 'where' visitors are coming from but who they 'are'.

D. Frequent border-crossers:

The complexity of recording and analysing data on these travellers cannot be over-emphasised. The South African experience of movements from its neighbouring countries especially Lesotho is a classical example. The issuing of the Border Traffic Concession to these frequent crossers for a period of six months complicates the recording issues. South Africa categorises the possession of this special permit under 'type of travel document' and not under 'purpose of travel' since persons with this

permit can use it to cross the border for a variety of reasons. It is therefore not clear who the data given in the arrival data refer to – travellers who are using the ‘permit’ for the first time or the periodic volumes refer to the total number travellers who used it during the specific period.

Suggestion:

Countries that issue such concession should have well-defined regulations regarding its issue, usage and documentation of travellers that use them. This will give credibility to the data in terms of avoiding duplications and swelling up the data from such borders. Moreover, data analysts will be more confident in using the recorded data.

E. Students:

Travellers whose main purpose for a trip is to study are generally issued with study permit before arriving at the port of entry. Students are more likely to be given a limited length of stay (usually one year) subject to renewal. The inclusion of the name of the intended training or institutions in the visa/permit tends to be optional. Unlike the visitor’s temporary permit that could be issued at the port of entry for countries that have visa exemption, permits for long term purposes such as study and work are obtained from the overseas consular offices before embarking on the trip. Therefore the decision to issue a visitor’s permit for short-term courses (less than twelve months) and a study permit for long-term courses would have been decided by the consular officer. Additionally, the debate as to whether students should be classified as ‘tourists’ becomes crucial here. When the distinction between students on short-term courses (visitor’s permit) and long-term courses (study permit) is made prior to arrival at the port of entry, each traveller will be recorded under the correct category.

Suggestion:

Consular officers should be responsible for the issuing of study permits whilst immigration officials may deal with visitor’s permit. Students on study permit therefore cannot be classified as ‘tourist’ even though they may not be remunerated.

F. Tourism and economic communities (e.g. SADC, ECOWAS, EU)

The impact of special concession regarding cross border movements needs to be monitored. Although these countries may not necessarily be neighbours, travellers across them may be able to do so with less restriction because they belong to the same economic community. There are a number of consequences – e.g. there is a high likelihood that the ‘tourist’ or ‘holiday’ category in the purpose of visit classification is likely to be relatively larger than the other categories for the simple reason that movement under the purpose of ‘visit/holiday’ is more convenient to process than others. Furthermore, the collection of data on ‘outbound tourism’ becomes very problematic.

G. Use of entry and departure cards/forms

The trend to do away with entry and departure cards/forms and collect data electronically through scanning of travel documents needs to be highlighted. Whilst this method has several advantages, there are no doubt a number of limitations. South Africa is currently using this method and data analysts are observing the strengths and weaknesses it imposes. It is important it should be discussed since it has huge implications for tourism statistics.

N	Riaan Grobler	South Africa	Central Statistical Office
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Feedback on the provisional draft International Recommendations on Tourism Statistics (IRTS)

Topic	Paragraph	Comment
Definition of inbound tourism	2.31	Definition states that inbound tourism includes the activities of non-resident visitors within the economy of reference either as part of a domestic or international trip (from the perspective of his/her country of reference). Find the inclusion of the term 'domestic' confusing. Would an inbound tourist (non-resident) be within the economy of reference as part of a domestic trip? Especially if this would be determined by the country of reference.
Concept of Tourism Expenditure	4.2 4.35	IRTS states that this concept excludes some items covered by the concept of consumption used in the SNA and that these items are included in the more inclusive concept of tourism consumption used in the TSA. Explicit mention should be made of what is excluded in the definition. Also, tourism statistics feeds into the TSA. What would the influence be of the use of the concept of tourism expenditure in the IRTS (exclusions) vs tourism consumption in the TSA (inclusive). The concepts of expenditure vs consumption still leads to confusion and problematic measurement Package tours - would be helpful if the IRTS could give more direction/explanation as to the measurement of tourism expenditure for package tours.
Employment – operational definition	7.9	'employment in the tourism industries comprises all persons above a specific age,....'. What is this specific age (15-65)?
Employment – general		How does the chapter on employment in IRTS link with employment in the TSARMF (If any link)?
Compilation guide		Throughout the IRTS, mention is made that certain topics, concepts etc will receive attention and further explanation in the Compilation Guide. What is the time frame around the Compilation Guide? And the relationship/links of the Compilation Guide with the IRTS? Think this would relate back to comments made during the session in Lisbon by participants that there seem to be too many documents around tourism statistics/TSA.
Link between 'travel' item in the BoP and inbound/outbound tourism consumption	8.9 – 8.21	During the discussions in Lisbon, it was made clear that there is still some dissimilarities between the BoP and IRTS/TSA. While this link is explained in more detail in the provisional draft, from a practical implementation point of view, the differences between the BoP and IRTS/TSA is still causing confusion, especially the treatment of exports and imports of travel services in the BoP statistics and the SU-framework and the relationship with private consumption expenditure.
General		There has been a lot of progress made on the IRTS from version 2 discussed in Lisbon to the provisional draft document. The 7 topics around the IRTS discussed in Lisbon has been better clarified and explained, and the effort and hard work of the compilers is appreciated.

O	Nihan Bekar	Turkey	National Tourism Administration
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I would like to acknowledge the receipt of your e-mail concerning the provisional draft of the International Recommendations on Tourism Statistics. Our related departments have reviewed the aforementioned text and stated that the IRTS document is appropriate and relevant.

P	Iván González de Alba, Francisco Guillén and Citlalin Durán Fuentes	Mexico	National Tourism Administration
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6.4 ~~The homogeneous production unit, (a producing unit that carries out a single productive activity in a single location) is the theoretical unit to be used. However, in practice, the statistical unit that can be observed in most industrial statistics is of the “establishment” type.~~ El Sistema de Estadísticas de Turismo desde la perspectiva de la oferta, tiene por objeto proporcionar datos relevantes referidos a las unidades institucionales (hogares, empresas, gobierno)² y a las actividades productivas que desarrollan para proveer los bienes y servicios que son adquiridos por los visitantes, o por otros en beneficio de los visitantes a través de transacciones monetarias, para la satisfacción directa de sus necesidades y deseos para y durante sus viajes y estancias en el destino.

En consecuencia, resulta particularmente importante determinar qué clase de unidad estadística será considerada para estos fines, asumiendo que la unidad estadística es la entidad sobre la cual se buscarán y serán compilados los datos en función de los fines para los que se emplearán las estadísticas resultantes, además de determinar, en su caso, el grado de detalle con que se compilarán las estadísticas para propósitos analíticos de las actividades productivas.

En esta perspectiva, las unidades estadísticas que se recomienda considerar son las del tipo establecimiento y la unidad homogénea de producción.

6.5 ~~The establishment (or local kind of activity unit in the EU lexicon) is defined operationally in ISIC Rev 4 as “an enterprise or part of an enterprise that engages in one, or predominantly one, kind of economic activity at or from one location or within one geographical area, for which data are available or can meaningfully be compiled, so as to allow the calculation of the operating surplus”.~~ Tal como se encuentra definido en el SCN93, el establecimiento es “una empresa o parte de una empresa situada en un único emplazamiento y en el que se realiza una actividad productiva (no auxiliar) o en el que la actividad productiva principal representa la mayor parte del valor agregado”. Así concebido, el establecimiento constituye la unidad estadística más adecuada para extraer no sólo información sobre las actividades de producción de bienes, compra venta de mercancías o prestación de servicios que realiza, con fines mercantiles o no, sino para obtener datos que permitan calcular el excedente de operación.

Box 6.1 Definición de establecimiento

5.21 (...) El establecimiento se define como una empresa o parte de una empresa situada en un único emplazamiento y en el que sólo se realiza una actividad productiva (no auxiliar) o en el que la actividad productiva principal representa la mayor parte del valor agregado

5.22 Aunque la definición de un establecimiento permite la posibilidad que se puedan realizar una o más actividades secundarias, éstas deben ser en pequeña escala comparada con la actividad principal. Si una actividad secundaria de una empresa es tan importante o casi tan importante como la principal, esa actividad debe ser tratada como si fuese realizada en un establecimiento separado de aquél en que tiene lugar la actividad principal. La definición de establecimiento no permite que una actividad auxiliar constituya un establecimiento propio.

5.23 Por consiguiente, los establecimientos se han diseñado como unidades que proporcionan datos más adecuados para efectuar un análisis de la producción en los que la tecnología productiva representa un papel importante

Comisión de las Comunidades Europeas, Fondo Monetario Internacional, Organización de
Cooperación y
Desarrollo Económicos, Naciones Unidas y Banco Mundial, *Sistema de Cuentas Nacionales 1993*,
(Bruselas/ Luxemburgo, Nueva York, Paris, Washington D.C., 1993)

² El Sistema de Cuentas Nacionales 1993 (SCN93) define a la unidad institucional como “Una entidad económica que tiene la capacidad, por derecho propio, de realizar actividades económicas y transacciones con otras entidades, así como de poseer pasivos y contraer activos” (párrafo 4.2 del SCN93). Destaca asimismo que pueden considerarse dos grandes tipos de unidades institucionales: los hogares y las entidades jurídicas o sociales (v. gr. sociedad, ISFL y la unidad gubernamental) que realizan actividades económicas u operaciones en nombre propio (párrafo 4.3 del SCN93)

- 6.6 ~~In fact, an establishment may have more than one activity. Whether it does or not (from a statistical point of view), will depend upon whether it has been possible to delineate separate establishments for the different activities carried out within an enterprise that means separately identifying output, inputs and associated costs. Such a situation of multiple activities carried out in a single establishment often happens for establishments that cater to visitors.~~ Al igual que en otros campos, es muy frecuente que los establecimientos proveedores de bienes y servicios a los visitantes desarrollen más de una actividad. Most hotels, in addition to providing accommodation services, also provide food serving services to guests and other customers, manage convention centres, etc.; trains, besides transporting passengers, might be serving meals, provide sleeping facilities, etc.

A estos efectos, conviene destacar la importancia de identificar las diferencias fundamentales que pueden establecerse entre las actividades principales y secundarias, por un lado, y las auxiliares por el otro.

Box 6.2 Actividades principales, secundarias y auxiliares

- 5.7 La actividad principal de una unidad de producción es aquella cuyo valor agregado supera al de cualquier otra actividad realizada dentro de la misma unidad (...). La clasificación de la actividad principal se determina por referencia a la CIU, primero al nivel más alto de la clasificación y posteriormente a niveles más detallados. La producción de la actividad principal –su producto principal y cualquier subproducto (es decir, un producto que, necesariamente, se obtiene a la vez que los productos principales)- tiene que consistir en bienes o servicios que puedan ser suministrados a otras unidades, aunque también puedan usarse para autoconsumo o para la propia formación de capital.
- 5.8 La actividad secundaria es la que se desarrolla dentro de una misma unidad de producción en adición con la actividad principal, y cuya producción, al igual que la de la actividad principal, tiene que ser adecuada para que se pueda suministrar fuera de la unidad de producción (...). El valor agregado de una actividad secundaria ha de ser menor que el de la actividad principal, de acuerdo con la definición de esta última. La producción de la actividad secundaria es un producto secundario. La mayoría de las unidades de producción producen al menos algunos productos secundarios.
- 5.9 La producción de una actividad auxiliar no se realizaron el propósito de utilizarse fuera de la empresa. La actividad auxiliar es una actividad de apoyo que tiene lugar dentro de la empresa y cuya finalidad es crear las condiciones que permitan realizar las actividades principales o secundarias

Comisión de las Comunidades Europeas, Fondo Monetario Internacional, Organización de Cooperación y Desarrollo Económicos, Naciones Unidas y Banco Mundial, *Sistema de Cuentas Nacionales 1993*, (Bruselas/ Luxemburgo, Nueva York, Paris, Washington D.C., 1993)

- 6.7 ~~Each hotel, each restaurant, each travel agency belonging to a chain and operating in a different location will be considered as a different establishment.~~ La unidad homogénea de producción se concibe como aquella que permite considerar como una unidad de observación independiente a cada actividad económica -siempre y cuando no sea de carácter auxiliar- que se desarrolle dentro de un mismo emplazamiento, empleándose para profundizar en el conocimiento y estudio del sistema económico.

Box 6.2 Definición de unidad homogénea de producción

- 5.45 (...) Una unidad definida de manera que sea óptima para un tipo particular de análisis se denomina como “unidad analítica”
- 5.46 En el ámbito del análisis insumo- producto, la situación óptima sería aquella en la que cada unidad de producción se dedicara únicamente a una actividad productiva, por lo que una industria podría formarse agrupando todas las unidades dedicadas a un tipo concreto de actividad productiva sin intrusión de actividades secundarias. La unidad analítica apropiada a efectos del análisis de insumo- producto es, por tanto, la “unidad de producción homogénea”, que puede definirse como una unidad de producción en la que solo se realiza una actividad productiva (no auxiliar). Si una unidad de producción realiza una actividad principal y además una o más secundarias, tiene que dividirse en el mismo número de unidades de producción homogéneas

Comisión de las Comunidades Europeas, Fondo Monetario Internacional, Organización de Cooperación y Desarrollo Económicos, Naciones Unidas y Banco Mundial, *Sistema de Cuentas Nacionales 1993*, (Bruselas/ Luxemburgo, Nueva York, Paris, Washington D.C., 1993)

- 6.8 In tourism, many establishments operate as unincorporated enterprises, family businesses or even as informal units of production. Whatever their degree of organization, each of these should be considered as separate establishments y recibir un tratamiento similar al considerado en el SCN93, es decir, serán considerados como parte del sector de los hogares y serán definidas con independencia de la condición del lugar de trabajo en que realizan las actividades productivas, de la capacidad de los activos fijos utilizados, de la duración de la actividad de la empresa (indefinida, estacional u ocasional) y de su funcionamiento como actividad principal o secundaria.

(...)

C. Characterization of tourism industries

- 6.17. The kind of characteristics that might be interesting to measure in order to describe the activity of tourism industries and the establishments that belong to them, have been established on the basis of a double objective: to have a good knowledge of the industries as such, and to generate the information that is required in order to be able to reconcile demand by visitors and supply by industries in a fairly detailed way (within a TSA perspective), both in terms of value (a/f) and, when possible, in quantity or non monetary units (g/i). Those characteristics are the following:
- a) Total value of output and output broken down by products and kind of economic activity (with special emphasis on tourism-characteristic products) at basic prices and producers prices (when relevant);
 - b) Total value of intermediate consumption of each tourism industry and rest of industries and intermediate consumption by products and kind of economic activity (if possible) at purchasers prices;
 - c) Total value added at basic prices by kind of economic activity
 - d) Total remuneration of employees: wages and salaries (in cash and in kind) and social contributions; globally and for identified categories of employees (see chapter 7); and total remuneration of employees by kind of economic activity
 - e) Gross fixed capital formation by products; broken down, if possible, by kind of economic activity
 - f) Net acquisition of land, and intangible assets (such as franchises); broken down, if possible, by kind of economic activity
 - g) Number of establishments broken down by kind of economic activity (formal/informal, market/non market, if relevant; by legal form of organization for establishments belonging to formal enterprises, classified by size of employment);

- h) Information on employment (because of the strategic importance of employment, this issue is developed in chapter 7) by kind of economic activity
- i) Relevant non-monetary indicators (specific to each activity) showing both capacity (supply) and the amount of demand that has been met (occupancy or capacity utilization rates for transportation and accommodation for instance), annually or more frequently, in order to highlight seasonality;

(...)

E. Measuring the supply of services of tourism industries

- 6.51. Depending on the degree of development of the survey of services, countries might already observe tourism industries within their general program of survey of service activities, either in an annual program, or in a more frequent one (quarterly or monthly).

En su caso, los países también podrían valorar el aprovechamiento de registros administrativos y de los operativos de los censos económicos que se llevan a cabo a intervalos periódicos pero relativamente frecuentes, considerando la vastedad y la profundidad de la información que generan por su cobertura exhaustiva. En el mismo sentido, las encuestas en hogares podrían permitir la cobertura de la producción informal hecha por los hogares.

- 6.52. Annual surveys will usually provide general economic information on establishments, including number and types, output by product (with a certain product detail), intermediate consumption, so that value added can be derived, employment and remuneration, investment in stock and flow and sometimes non-monetary information, with little, if any, activity-specific questions.

(...)

Annex 1

Los ajustes propuestos se llevan a cabo con base en lo publicado en la página <http://unstats.un.org/unsd/cr/registry/regcs.asp?CI=27&Lg=1&Co=55>, con la consulta realizada el 7 de junio de 2007

ISIC Rev. 4 55 Accommodation

This division includes the provision of short-stay ~~lodging~~ accommodation for visitors and other travellers. Also included ~~are~~ is the provision of longer- term lodging for students, workers and similar individuals. Some units may provide only accommodation ~~lodging~~ while others provide a combination of ~~lodging~~ accommodation, meals and/or recreational facilities.

This division excludes activities related to the provision of long-term primary residences in facilities such as apartments typically leased on a monthly or annual basis classified in Real Estate (section L).

5510 Short term accommodation activities (...)

This class includes the provision of accommodation ~~lodging~~, typically on a daily or weekly basis, principally for short stay by visitors.

This includes the provision of furnished accommodation in guest rooms and suites, or complete self-contained units ~~sometimes~~ with kitchenettes, with or without daily or other regular housekeeping services, and may often include a range of additional services such as food and beverage services, parking, laundry services, swimming pools and exercise rooms, recreational facilities and conference and convention facilities.

~~This class also includes the provision of lodging, typically on a daily or weekly basis, principally for short stays by visitors, of self contained space consisting of complete furnished rooms or areas for living/dining and sleeping, with cooking facilities or fully equipped kitchens. This may take the form of apartments or flats in small free standing multi storied buildings or clusters of buildings, or single storied bungalows, chalets or housekeeping cottages and cabins. Very minimal complementary services, if any, are provided.~~

This class includes accommodation provided by:

- hotels
- resort hotels
- suite / apartment hotels
- motels
- motor hotels
- ~~inns~~
- guesthouses
- pensions
- bed and breakfast units
- ~~youth hostels~~
- ~~children holiday homes~~
- visitor flats and bungalows
- time-share units
- holiday homes
- housekeeping cottages and cabins
- youth hostels and mountain refuges

This class excludes:

- provision of homes and furnished or unfurnished flats or apartments for more permanent use, typically on a monthly or annual basis, see division 68

Q	Randy Yan	Hong Kong, China	National Tourism Administration
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HKTB's Feedback to UNWTO's International Recommendation on Tourism Statistics

We are pleased to receive the provisional draft of the International Recommendations on Tourism Statistics (IRTS) prepared by UNWTO for our review. The IRTS clarifies some information on compiling tourism statistics, enhances the Recommendations set out in 1993 (para 1.11), delivers very useful information and puts forward good suggestions of providing supplementary Compilation Guide and Implementation Programme.

As mentioned in the IRTS, the Compilation Guide will complement the reference framework set out in the document and give indications on the way of implementing the recommendations. In addition, an implementation programme will be prepared by UNWTO (para 1.44) to cover other initiatives like capacity building programmes and complementary technical documents. We are looking forward to such a document and programme.

HKTB has all along been compiling tourism statistics following the recommendations by UNWTO. As such, we expect that there will be no major changes in our collection and reporting of tourism statistics.

In fact, the scope of tourism statistics covers a wide range of industries, products, and activities in the economy, we totally agree with the suggestion in the IRTS that countries should promote the establishment of an inter-institutional network or platform for improvement and expansion of tourism statistics system (para 1.32) and to comply with the guidelines from UNWTO. However, due to some limitations of the data that can be available from administrative records, there are areas that we may need to further work out the solutions with relevant authorities for further enhancement of the tourism statistics. Below are some examples.

Measuring the inflow of visitors

As refined in IRTS, "visitor" is the traveller moves outside his/ her usual environment for less than a year and for the main purpose other than being employed by a resident entity in the economy visited (para 2.1). In our own definition, we also treat those ex-Hong Kong residents (who have immigrated to other countries) as visitors when they return to Hong Kong for a visit. However, in most cases these visitors normally use Hong Kong Identification Card (which they can still keep even they have immigrated) to clear immigration procedures and therefore our administrative records are not be able to capture them as visitor arrivals/ departures.

Also, according to para 2.13 of IRTS, the concept of "usual environment" is further elaborated to include the place of usual residence of the household to which the visitor belongs, his/ her own place of work or study and any other place that he/ she visits regularly and frequently within his/ her current routine of life, even when this place is located far away from the place of usual residence. However, our administrative records will not be able to distinguish such cases like cross-border students and workers and will count them as visitor arrivals/ departures if they use the national passport to cross the border.

Usage of Entry/Departure cards for tourism statistics

Information such as demographics and characteristics of travel pattern (e.g. purpose of visiting Hong Kong) are very important. Yet, such information is currently collected from HKTB's departing surveys which is costly and inevitably subject to varying degree of sampling bias. The best solution is to capture such information (para 3.2) through administrative records. HKTB has been continuously urging for enriching the information collected in the visitor arrival cards (Ref. Appendix) and will keep on working with the administrative authority to request such key tourism statistics.

Non monetary indicators for various industries

Tourism statistics from the supply side is another room for improvement. Apart from hotel related statistics, non-monetary indicators from tourism industry such as food serving services (para 6.30), passenger transport services (para 6.36), travel agencies and other reservation services (para 6.45) as well as tour operators (para 6.50) are still lacking. Such information from supplier side may not be available currently, and initial assessment on the cost and benefits of obtaining the data should be carried out.

Further expansion of Tourism Statistics

Enhancement on reporting of tourism employment statistics (Chapter 7), further development of TSA (Chapter 8) and expansion of the scope as well as strengthening the relationship between tourism statistics with other macro-economic frameworks (Chapter 8) are also noted and we see more collaborations with the other government organisations may be required.

We are also pleased to provide our comments (see the Annex attached) and also seek UNWTO's clarification as deemed pertinent after detailed review of the IRTS documents.

We look forward to receiving the Compilation Guide and the Implementation Programme and having further discussion on the subject.

ANNEX – COMMENTS ON IRTS

Chapter 1

Para 1.44 – 1.45

We look forward to the Compilation Guide and the Implementation Programme.

Chapter 2

Para 2.2, 2.13

“Usual environment” is not easy to classify objectively and “routine of life” is too vague. From the perspective of data collection, it is not easy to distinguish those frequent cross-border travellers from the administrative records. In Hong Kong, such frequent travellers include cross-border students and workers.

Para 2.9

A number of Hong Kong residents have immigrated overseas. However, when returning to Hong Kong for a visit, most of them would enter Hong Kong with their Hong Kong Identity Card (“HKID”) as their travel document for the sake of simple entry procedures and convenience. These HKID holders should be classified as “visitors”, yet, such statistics cannot be shown in the administrative records of visitor arrivals because the HKID holders are treated as Hong Kong residents in principle from the administrative point of view.

Para 2.21

From the statement “entering a geographical area without stopping there does not qualify as a visit to that area”, the definition/ meaning of “stop” is not clear enough. Further clarification is needed.

Para 2.38

Regarding the Figure 2.1, in the column of “arriving non residents/ other inbound travellers”, only “long term students” was defined in respect of the time stayed (para 2.55). Yet, other “long term” (e.g. long term work, long term patient) seemed not clearly being defined.

Para 2.49

As suggested in IRTS, such “nationals residing abroad” should be included in the scope of non-resident travellers and visitors. For the case in Hong Kong, the administrative records are not able to separate those ex-Hong Kong residents who use the Hong Kong Identification Card to return to Hong Kong, and therefore not captured as visitors. We would like to seek the recommendations by UNWTO and to provide guidelines in the Compilation Guide.

Para 2.52

It is needed to clarify whether the cruise passengers are also eligible to be classified into overnight visitors (i.e. tourists) and same-day visitors (i.e. excursionists). According to the 1993 Recommendation, "cruise passengers who arrive in a country on a cruise ship and return to the ship each night to sleep on board even though the ship remains in port for several days" (para 37) are treated as same-day visitors.

Cruise market is another comprehensive segment. Broadly speaking, cruise passengers can be divided, according to their arrival and departure mode of transport used, into cruise-in-cruise-out, cruise-in-other-mode-out and other-mode-in-cruise-out passengers. As regards cruise ship, there are different types of cruise defined according to G. P. Wild (International) Ltd. which is an international consultancy specialised in cruise tourism. However, it seemed that no clear definition in such area given in IRTS.

Para 2.55

For students, length of some courses may not be measured in "academic year". It would be clearer to define "short-term" and "long-term" courses by, say, actual number of week/ month.

Para 2.56

It would be too broad to set up one category of "business visitors". In fact, at least standardised defined categories of "corporate meeting", "incentive trip", "convention", "exhibition" visitors (i.e. breakdown of MICE visitors) and general business visitors are expected.

Chapter 3

Para 3.10

We assume para 3.10 to 3.20 is also applicable to main purpose of "visit".

Para 3.14

Incentive trip is grouped to "personal" purpose of trip. It would be somehow contradicting to the normal perception that incentive trip is one of the key elements of MICE segment and should be under the category of business travel.

Education and training, even if it is a job requirement and fully paid by the employer, is grouped to "personal" purpose of trip. However, based on our experience in conducting tourism survey research, a trip for "education and training" due to job requirement or paid by the employer is commonly regarded as a business trip.

Para 3.15

As afore-commented for para 2.56, MICE should be under the category of business travel. Yet, among MICE, only incentive trip is not exactly a "purpose" of visiting a destination. Instead, incentive trip is a type of trip characteristics (Most of incentive trip participants visit a destination for the purpose of vacation/ leisure, while the trip they joined is an incentive trip). Therefore, further suggestion on the way to categorise different business visitors into the five suggested groups is expected.

Para 3.23

A standardised characterised system for tourism products is highly recommended.

Para 3.26, 3.28

More precise definition of "overnight" is expected. Now, we are employing the rule of thumb by treating visitors as staying "overnight" if they stay beyond the reference time of 12:00 mid-night for each day. For example, a visitor will be regarded as staying overnight even if he/ she arrives before 23:59 and departing at 00:00 or later.

Also, the exact definitions of “arrival” and “departure” time are also expected. For example, whether they should regard the time right after clearing the immigration procedures and entered Hong Kong, as arrival time. Similarly, the time right after clearing the immigration procedures and left Hong Kong is regarded as departure time.

Para 3.29

Definition and classification of “package” is expected to be provided.

Para 3.37

The hotel classification system is strongly required, also see Para 6.22.

Chapter 4

Para 4.4

More elaborations for excluding such expenditure of goods beyond the custom threshold spent by visitors are expected. Sufficient rationale support is needed.

Para 4.7

Excluding taxes and duties is not easy as visitors are most unlikely aware of those taxes paid. Typically, they would seldom know the amount of hotel tax on their hotel bill and the airport tax covered in their payment for air tickets.

Para 4.35

We also share most of the measurement issues highlighted in the IRTS, we urge to have the Compilation guide soon so as to solve such problems as collecting information in respect of package tour, etc.

Chapter 5

Para 5.5

In Hong Kong, it seemed that there is another comprehensive system to classify/ define tourism industries. Suggestion from UNWTO on the way to adapt the classification set out in IRTS to the existing system is highly appreciated.

Para 5.13, 5.22

It would be clearer and more user-friendly for the reader to understand and distinguish between “tourism product (as stated in para 3.21), tourism-specific product and tourism-characteristic product if further elaborations and comparison on these three terms are available.

Chapter 6

Para 6.17

In Hong Kong, the concept of “establishment” should be further clarified since there are some commercial accommodations applied more than one business license of commercial accommodation service. In other words, one single commercial accommodation may carry more than one license.

Para 6.22

Despite the difficulties indicated in IRTS, a well-developed hotel classification system is a must. UNWTO is the unique organisation most appropriate to establish such a system. From the perspective of users of tourism statistics or the general public, there is no common standard of hotel classification for their reference.

Chapter 7

In Hong Kong, employment statistics in the tourism industries are mainly compiled by the Government Census and Statistics Department. However, the framework and related definitions are not yet synchronised. Guidelines on the way to adapt the framework recommended by UNWTO to the existing system are needed.

Chapter 8

Apart from those topics discussed such as TSA, relationship between tourism and balance of payment, etc, other hot topics such as the suggestion on the framework or the approach to measure or estimate the economic impact of tourism is highly welcomed.

R	Steve MacFeely	Ireland	Central Statistical Office
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Comments on IRTS – V.2

Overall, I think version 2 is excellent. It has tidied up a lot of grey areas and brought a more coherent approach to the IRTS. I also welcome the more explicit links to National Accounts and Balance of Payments concepts – these links are very useful.

I have made a few observations. Mainly, these are suggestions for further clarifications, but in a few cases they are questions, where are still slightly unclear to me. In these cases it is quite possible, I have missed the appropriate paragraph – please forgive me if that is the case.

If anything below is unclear, please don't hesitate to clarify.

B.1 main purpose of visit

I think the main purpose of visit is well explained in the text. Should we also define what a secondary purpose is? Or at any rate highlight the distinction? I think it might be useful, particularly for “accompanying” persons.

Chapter 2 (B.4) – Usual Environment (UE)

The text as presented is fine but perhaps could be supplemented in 2 ways. Firstly it might be useful to note that the UE is critical as it underpins the distinction between leisure and tourism. Secondly it might also be helpful to make clear that usual environment may not really internationally comparable. Certainly distance, duration of trip or crossing of borders will be a function of geography and infrastructure etc.

Given the importance of same day visits to tourism, it might also be useful to tease out whether a UE for an overnight trip is necessarily or correctly the same UE for a same day trip. Should the UE for an overnight trip be larger than that for a day visit? Should the UE be the same for all types of trip?

Arguably, frequency is the most important criteria, particularly if international comparability is desirable. Consequently 2.18 is a very important subhead, as the “week” cut-off is comparable. In fact if we wanted a comparable UE, it might lead to a simplified definition based on frequency.

Thus I believe the criteria might usefully be ranked in importance, with frequency being the most important, and borders being the least important.

Chapter 2 (B.4 and B.5) – Usual Environment & Holiday Homes

How to consistently treat holiday homes have always presented a problem in Ireland. Consequently we support the idea of making a clear rule for holiday homes i.e. trips to holiday homes are outside the UE and thus are to be thought of as tourism.

We do not think this creates any precedent for any other form of accommodation i.e. the logic of including holiday homes should not be extended to hotels or restaurants for example. If you visit your own holiday home, you are not purchasing any service (other than from yourself) whereas if you stay in a hotel you clearly purchase a service.

In terms of motivation, I think owned holiday homes are a distinct case. I also think holiday homes can be viewed as a clear exception to the frequency rule. Thus a trip to a holiday home can be justified as tourism, whereas a recreational trip to a hotel, restaurant or beauty salon would be leisure.

However, if owned holiday homes cannot be treated as an exception, then we should revert to the usual environment as the guiding principle, rather than including hotels etc. which would clearly be illogical and would significantly overstate tourism.

Chapter 2 (B.6) – Trips and Visits

I think the distinction between trips and visits is clear and logical. However in Figure 2.1 the term “arrivals” is introduced without being defined. In figure 2.1 arrivals would appear to be the aggregation of visitors and other travellers. It would be useful to clarify this. Are arrivals all cross border events, irrespective of purpose, of which trips are a subset?

Would it also be useful to agree on a term for the statistics arising from supply side accommodation establishments? When a hotel reports that a person stayed for 3 nights – do we refer to that as an “overnight visit”? I have a worry there may be some confusion between arrivals at the border (or international arrivals) and arrivals at accommodation units (foreign or domestic arrivals).

Chapter 2 (B.7 – 2.38) – Exclusions from visitors

The 3rd bullet point is hard to read and I wonder if from a pragmatic perspective, it matters about the residency of an entity. Although less precise than the existing wording, I wonder would it be sufficient to say: *“Employees or self-employed persons providing a paid service in the country visited, even if just for a short time period”*?

The reference to “dependants” should be removed, as they should be included rather than excluded from tourism.

Chapter 3 (B.7) – The travel party

I think the distinction between a travel party and a group is useful. I am still a little unclear however, as to how we should treat an accompanying travel party, where the initial motivation or purpose was “work”. Given that the trip may not have taken place without the initial “worker”, it might make sense to exclude the entire party. Certainly, 3.18 suggests that this is the correct course of action, as the purpose of dependants should be the same as that assigned to the traveller they accompany.

However, it could be argued that for the accompanying persons, their initial motivation was different, and thus, the accompanying persons should be included as tourists, whereas the “worker” would be excluded. This approach would require a more complex questionnaire than the simple approach outlined above.

From a pragmatic, questionnaire point of view, the first approach is the easiest and on balance I think it is probably the best one. It might be useful to give “Accompanying Persons” or “Dependants” a heading of their own,

Chapter 4 – Tourism Expenditure

Drawing a clear distinction between expenditure and consumption I believe is a sensible and pragmatic one. A tourist can understand and in most cases answer, with some degree of accuracy, questions on actual expenditure. This is what tourism questionnaires should aim to compile – accurate data on tourism expenditure. Obviously there are some tourists, such as business tourists that still present a problem.

Clearly Balance of Payments (BoP) want information on tourism consumption. But I think by making it clear that what we are compiling in the first instance is expenditure, is a more accurate and transparent approach. Otherwise there is a danger that compilers will provide tourist expenditure but call it consumption.

I think splitting the TSA tables into expenditure and consumption is quite sensible too. If tables 1 – 3 match with expenditure data, it makes it easier to see the link with the primary data. Tourism consumption, which is a national accounting concept anyway, fits better in the I-O segment of the TSA.

Chapter 8.D – Measuring Tourism and the Environment

I think the link with environmental impact and sustainability is not only very important but crucial. These may well be the defining issues for current and future generations. If tourism statistics are to remain relevant then we must begin to turn our attention to these issues. Given that recent work by Jones and Munday³ have highlighted how the TSA framework might be adapted to examine these issues, it seems logical that we incorporate and develop such thinking.

I think the balance in the IRTS text is quite good. There is nothing prescriptive and yet it sends a clear signal, and importantly provides a clear mandate to tourism statistics compilers wishing to develop metrics in this area.

³ Jones, C. and M. Munday (2007), Exploring the Environmental Consequences of Tourism: A Satellite Account Approach

S	Bruce Bassett	New Zealand	National Tourism Administration
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1. Trips and Visit (Section B6, p7)

There is no guideline on what constitutes a 'day trip' or 'same-day visit'. Day trips are particularly important for domestic travel. We propose a guideline is developed for domestic trips as part of domestic tourism to guide the collection and measurement of such travel.

In New Zealand a domestic 'day trip' is defined as a travel outside a person's usual environment at least 40 km one way from home. However, in our Domestic Travel Survey respondents are not asked specifically on travel distance, but instead they are asked where they visited. During data processing there is a built-in software that calculates the distance between two places and a day trip is then included/excluded based the 40 km rule.

Other country may have different criteria (for example, Australia – a Day Visitors (or same day visitors) are those who travel a round trip distance of at least 50 km. are away for at least 4 hours).

2. Purpose of visit (Sections 3.12 & 3.14, p30)

The proposed purpose of visit include following categories:

1. Holidays, leisure and recreation; 2. Visit to friends and relatives; 3. Business and professional; 4. Education and training; 5. Health care; 6. Religion/pilgrimages; 7. Shopping; 8. Transit 9. Other

This new classification has three more items (4, 7 and 8) which are useful additions. These could be incorporated into sample survey collection without much difficulty. However, in border administrative Arrival and Departure cards there could be space problem to include all categories of travel purpose because the forms/cards tend to be small with limited space.

Regarding category 3: Business and Professional, which includes a wide range of business activities as well as conferences/congresses, meetings, trade fairs etc. We feel that the latter group (conferences/congresses, meetings, trade fairs etc.) is an important group of special interest and should be collected separately. That is, for the 'Business and Professional' grouping to be broken into 'Business' and 'Meetings/Conventions' groupings. We believe that this would also support the UNWTO's initiative to extend TSAs to measure the Meetings Industry.

3. Tourism Expenditure Exclusions (Section 4.9, p41)

Section 4.9 outlines exclusion of all payments that do not correspond to the acquisition of goods and services such as (third bullet point) "the purchase of financial and non-financial assets, including land." We suggest that this be amended to read "the purchase of financial and non-financial assets, e.g. land and real estate."

4. Classification of 'Tourism Characteristic Products' and 'Tourism Characteristic Industries' (Section 5D & 6C, p59 & p65).

We note that the IRTS guidelines for both the 'Tourism Characteristic Products' and 'Tourism Characteristic Industries' do not have quantitative criteria to classify these groups.

In Section 5.28 "A tourism-specific product will be considered as tourism-characteristic (second bullet point) The consumption of this product by visitors represents a significant share of the supply of this product in the economy..."

However, it is unclear what constitutes 'a significant share'. It would be useful to have a quantitative criterion to help define tourism characteristic products and industries, providing consistency for international comparison.

The method adopted by New Zealand TSA is as follows:

- **Tourism Products.**

We apply a Tourism Product Ratio (TPR) to differentiate tourism characteristic and related products. If TPR is equal or greater than 25% then the product is classified as **'tourism characteristic product'**, otherwise it is **'tourism related product'**. (Please see page 30 of TSA 05 report). We consider the 25% share to be a significant point of difference.

- **Tourism Industries.**

We use the Tourism Industry Ratio (TIR) to classify tourism characteristic industries. Our criterion is as follows:

"...A **tourism-characteristic industry** is one where either:

At least 25 percent of the industry's output is purchased by tourists (that is, the tourism industry ratio is greater than or equal to 0.25). The industry's characteristic output includes a tourism-characteristic product. For example, less than 25 percent of the water transport industry's output is consumed by tourists, but its characteristic outputs are water freight transport and water passenger transport. Water passenger transport is a tourism-characteristic product, so the water transport industry is classified as a tourism-characteristic industry and a direct physical contact occurs between the industry and the tourist buying its products. As a result, manufacturing and wholesaling industries are not tourism-characteristic industries." TSA 2005, page 30.

T	Ian Bobbin	Australia	Central Statistical Office
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As you know the Australian Bureau of Statistics (ABS) will unfortunately not be represented at the forthcoming meeting of the UNWTO Committee on Statistics and Macroeconomic Analysis of Tourism (Lisbon, 26-28 March 2007). However, we have read with interest the two key documents, the International Recommendations on Tourism Statistics (version 2) and the Update of the Tourism Satellite Account: Recommended Methodological Framework (TSA:RMF), to be discussed at the meeting.

Overall we are very supportive of the various improvements and changes to the standards that are reflected in these documents. The International Recommendations on Tourism Statistics document in particular seems to be close to finalisation. I do have a few specific comments, questions relating to the text of this document which I have provided as Appendix 1.

Amongst these comments there is one of some substance I think. Specifically paragraph 6.2 (page 63) states that tourism supply will be understood as the productive activities providing goods and services directly to visitors. This would seem to suggest that only that part of the value of a transaction in goods attributable to the final provider (generally a retailer) of that good should be considered as tourism output, and thereby contribute to tourism value added. If this interpretation is correct it means a valuation wedge exists between tourism consumption, defined in chapter 4, and tourism supply, i.e. a good purchased from a retail outlet would consist of both a tourism supply (the margin) and non tourism supply, the rest of the value of the purchase.

The second document to be discussed at the Lisbon meeting is an annotated outline, and thereby it is inevitable that the specifics of the proposed treatments are not as clear as they will be in the full draft, it is clear that this same issue (as per the previous paragraph) requires clarification within the revised TSA standards. The reference in B.6.5 Goods as part of visitor consumption within the annotated outline as well as the discussion that will come under Chapter 3 part B will constitute important clarification around the valuation of tourism output. Unfortunately I do not have access to the material that explains precisely the treatment that is proposed in respect of the value of tourism output and value added. If further documentation relating to this matter could be made available it would be of considerable help to us.

ABS would also very much appreciate it if a final decision on this specific matter could be deferred until we, and the Australian user of these statistics, have the chance to review the text of the revised Recommended Methodological Framework (TSA:RMF). My understanding is that the first draft of this framework will be promulgated on 10 April.

Appendix 1

Comments on International Recommendations on Tourism Statistics (version 2)

- overall the document is of high quality and reads very clearly;
- Box 2.5 (page 20), the characterisation of the national accounts use of the term 'domestic' isn't entirely accurate. In the national accounts context domestic encompasses the activities of resident producers and consumers irrespective of the location of that activity. The explanation provided in the standards implies that domestic refers to activity within a geographic domain.
- para 4.5 (page 41), it is not clear that the treatment of valuables in the SNA and BPM is as is described here, the exclusion of the purchase of valuables from tourism expenditure appears to rather arbitrary at best, it can be contrasted to the inclusion of various consumer durables within the boundary of tourism consumption.
- paragraphs 4.15 through 4.18 discuss the inclusion of various consumer durables within tourism expenditure, including single purpose consumer durables. The inclusion of these single purpose items would appear to be problematic in some senses. Furthermore the definition of tourism expenditure is biased in the sense that the sales of goods purchased while a visitor should perhaps be offset by the sale of those goods at the time the sale occurs (consistent with measurement of household or government consumption expenditure within the national accounts).

- para 4.27(b) the description of the treatment of a passenger on an airline flying from country A to country B on an airline based in country C not being in the statistics of country C seems to be incorrect in that the airplane is always within the economic territory of country C wherever it is physically located.
- paragraph 6.2 (page 63) states that tourism supply will be understood as the productive activities providing goods and services directly to visitors. This would seem to suggest that only the margin on consumer durables, for example, should be accounted for in deriving tourism output and consequently value added. It means there is a difference between estimates of supply and use. Presumably the basic value of domestically produced cars could be treated as an import.
- the description of treatment of travel agency services 6.46 and 6.47 and 6.53 is to be clarified.

U	Douglas C. Frechtling	George Washington University	University / Research
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I support changing the definition of visitor as you suggest and classifying all of the cases you present as Non-visitors. My reason is to clearly distinguish the "usual environment" as including all venues where a person lives, works and conducts regular activities. The cases you present could all be classified as "commuting environments", which we seek to include in the "usual environment" for purposes of separating tourism activities from all other human activities. Therefore, someone traveling to a place to take part in the activities you have identified has not left his/her usual environment and is therefore not a visitor.

In order to respond to your second set of questions regarding the respective contents of the domains "tourism expenditure" and "tourism consumption", I refer to the IRTSv2 ¶4.3. This provides a definition of "tourism expenditure" that I propose be revised to remove "amount visitors are usually able to report in surveys". This latter element raises difficult issues that I have addressed in a research review of how well visitors can and cannot report expenditures on their behalf that I emailed to Antonio in 2005 (I will be happy to send you a copy, as well). In brief, this is an ambiguous restriction that will sow more confusion than understanding.

I suggest your definition of "tourism expenditure" be: "the acquisition of goods and services by visitors or by others on their behalf by a monetary transaction (cf. SNA1993, ¶¶3.16-17) and for the direct satisfaction of their needs and wants."

Under this definition, I would exclude only the following from "tourism expenditure" but include them under "tourism consumption":

1. Imputed housing services associated with owned vacation homes
2. Consumption of goods produced for own final use in vacation homes.
3. Cost less partial payment by the beneficiary for individual services provided by Government and NPISH – all items listed
4. Actual expenditure of businesses net of the out-of-pocket portions for the services provided to employees – free or quasi-free transport provided, for instance by airlines to employees and their families; value of services provide by holiday residences of businesses in favor of their employees

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General remarks

Changes in concepts/definitions make sense if they are finalised at list to:

- clarify the concepts and avoid ambiguity
- reduce discrepancies with similar definitions used in other fields
- assure a better representation of the phenomenon at different territorial and sectoral levels
- assure more coherence with the final objective of tourism statistics, i.e. to give public and private stakeholders a powerful and reliable instrument for the interpretation of the phenomenon according their needs

Furthermore, the consequences in terms of additional work and costs required to adapt the current systems (e.g. change questionnaire, elaboration methods) and then in terms of time series break should be carefully considered. That means, on one side, that “conceptual reasons” should be matched with “operational reasons” before to take the final decision, on the other, that changes should be largely agreed.

1. Definition of visitors

The proposed change risks to exclude from tourism demand a relevant part of business tourism, i.e. an important component for many destinations. In my opinion, even if from the conceptual perspective there would be a good reason for that, it is not acceptable from the operative point of view! With the same objective to avoid ambiguity and to use a common treatment when no employer-employee commitment is created, many destinations/stakeholders would ask for the inclusion (instead of exclusion) in tourism demand also of non-resident employees of resident businesses, etc.: if this is also more coherent with BoP, it risks to enlarge too much the concept of tourism... and we don't want that.. In the end, it seems that the conceptual and operational pros-cons balance of the new definition does not create such an improvement of the current situation to justify its adoption: better to maintain the old definition.

2. Tourism expenditure and tourism consumption

The suggested list can be shared from the conceptual point of view, but some items do not seem to be realistically captured (e.g. Estimation of the additional expenditure on purchased goods and services incurred by family and friends in order to receive visitors). Also in this case a balance between conceptual and operational aspects should be done, having in mind the final use of the data. The risk is to have different measures of the same phenomenon that correctly represent different conceptual aspects, but that could generate more costs for their practical estimation and furthermore could create confusion and couldn't be understood by users. If the two concepts are proposed, should be clearly explained their different meaning and use (but without using the proposed detailed list).

Other minor additional comments

When the concept of visitors is introduced, the difference between overnight visitors and excursionists should be specified (beg. of chapt. 2, anticipate 2.35)

When measuring methods are discussed, should be stressed that tourism is a complex phenomenon requiring a multiplicity of approaches, according to the objectives of the analysis (see par. 2.51)

When the importance of international tourism is stressed (see 2.49) should be specified that this is mainly because of its character of exports, while domestic tourism has to be considered only for the additional part, i.e. excluding the consumption that should have been done as residents. Furthermore, check 2.49, 2.41, 2.43: the importance of the two components should be anticipated.