

Annex 5. Tourism expenditure vs tourism consumption

1. Tourism expenditure (TE) and tourism consumption (TC) seem to have a similar formal definition as “the acquisition of consumption goods and services as well as valuables for own use or to give away, for and during tourism trips.” Nevertheless, whereas tourism expenditure is restricted to the amount paid for such acquisition, that is, it only includes those expenditures that involve a payment, tourism consumption also includes imputed transactions, that is, transactions that although actual, do not involve the existence of a monetary flow as a counterpart. Consequently, as they cannot be readily observed their amount has to be calculated.
2. In order to clarify the contents of each one of these concepts, the following list is proposed as a first reference to assist compilers.

Concepts	Classification (conceptual)	Actual inclusion	Comment
Monetary expenditure on goods and services paid by the visitor out of his/her own pocket	TE	Yes	
Direct expenditure by the visitor refunded by a third party in the case of:			
- a business (employee on business trip)	TE	Yes	
- another household	TE	Yes	
- the social insurance system	TE	Yes	
Partial payment by the beneficiary for the individual services provided by Government and NPISH			
- education	TE	Yes	
- health	TE	Yes	
- museums	TE	Yes	
- performing arts	TE	Yes	
- other	TE	Yes	
Out of pocket portions of the services provided to employees or others on tourism trips by businesses, such as:			
- free or quasi free transport provided for instance by airlines to their employees and their family;	TE	Yes	
- payment due by employees and their family to spend holidays in the holiday residences of businesses;	TE	Yes	
- supplementary payments due by individuals invited by businesses to attend sports or any other events	TE	Yes	
Estimation of the additional expenditure on purchased goods and services incurred by family and friends in order to receive visitors.	TE	No	Impossible to obtain this information. In practice, not included in National Accounts
Imputed housing services associated to owned vacation homes (timeshares, and others...)	TC	Yes	
Consumption of goods produced for own final use in vacation homes, caught (fish) or hunted (game) for recreation purpose while on tourism trip	TC	Yes	
Acquisition of tourism single purpose consumer durables outside the context of	TC	Yes	

Concepts	Classification (conceptual)	Actual inclusion	Comment
a trip			
Cost less partial payment by the beneficiary for the individual services provided by Government and NPISH			
- education	TC	Yes	
- health	TC	Yes	
- museums	TC	Yes	
- performing arts	TC	Yes	
- other	TC	Yes	
Actual expenditure of businesses net of out-of-the-pocket portions for the services provided to employees or others on tourism trips, such as:			
- actual cost on transportation, hotels, restaurants and other expenditure related to business trips taken by employees and usually covered by per diem;	TE	Yes	Visitors are required to make this estimation in Surveys
- cost of incentive trips paid by businesses for their employees	TC	Yes	Visitors are required to make this estimation in Surveys
- cost for the business of free or quasi free transport provided for instance by airlines to their employees and their family;	TC	Yes	
- value of services provided by holiday residences of businesses in favor of their employees;	TC	Yes	
- invitations by businesses to clients or providers to attend sports or any other events	TC	Yes	On assumption that “invitations” means “value of services provided or paid for by”