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International Recommendations for Tourism Statistics 2008 Compilation Guide – *Unedited Draft Version*

Prepared by the Committee on Statistics and the Tourism Satellite Account

International Recommendations for Tourism Statistics 2008 Compilation Guide

Unedited Draft Version

Foreword

The World Tourism Organization (UNWTO) is the specialized agency of the United Nations for Tourism. As part of the UN system, UNWTO engages in the UN Statistical Commission, which is a functional commission of the UN Economic and Social Council and is the highest decision-making body for international statistical activities. It is active in the setting of statistical standards, the development of concepts and methods, and their implementation at the national and international level.

The present ***International Recommendations for Tourism Statistics 2008 Compilation Guide*** is a companion document to the *International Recommendations for Tourism Statistics (IRTS 2008)*. The primary purpose of this *Compilation Guide* is to provide further clarifications and practical guidance for using sources and methods to compile statistics on tourism. It is designed to support the production of a high quality set of basic data and indicators in each country and to strengthen the international comparability of tourism statistics.

The *Compilation Guide* was prepared by national compilers of tourism statistics, experts from international and regional organisations and by staff of UNWTO.

This *Compilation Guide* is directed at all those involved in the compilation of tourism statistics, whether they work for National Statistical Offices, National Tourism Administrations or any other entity that produces, or can potentially produce, information relevant for the compilation of tourism statistics. In addition, the *Guide* contains information that may be of interest to users who would like to understand better the nature of tourism data.

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List of abbreviations and acronyms

ABS	Australian Bureau of Statistics
ANZSCO	Australian and New Zealand Standard Classification of Occupations
API	Advanced Passenger Information
ATM	Automated teller machine
BIS	Bank of International Settlements
BOP	Balance of Payments
BPM6	Balance of Payments and International Investment Position Manual, sixth edition
CANSIM	Canadian Socioeconomics database from Statistics Austria
CCSA	Committee for the Coordination of Statistical Activities
CATI	Computer Assisted Telephone Interviews
CNAE	*Clasificación Nacional de Actividades Económicas*
CoP	Code of Practice
CSA	Classification of Statistical Activities
COICOP	Classification of Individual Consumption According to Purpose
CPC	Central Product Classification
CSO	Central Statistical Office
CTC	Canadian Tourism Commission
CTO	Caribbean Tourism Organization
CTSA	Canadian Tourism Satellite Account
DQAF	Data Quality Assessment Framework
ECB	European Central Bank
EN	Employment Module
FTE	Full-time equivalents
EU	European Union
EUROSTAT	Statistical Office of the European Union
GATS	General Agreement on Trade in Services
GDP	Gross Domestic Product
HI/ES	Household income/expenditure survey
HRM	Human Resource Module
IATA	International Air Transport Association
IBGE	Brazilian Institute of Geography and Statistics
ICLS	International Conference of Labour Statisticians
ICSE	International Classification of Status in Employment
IIP	Inter-institutional platform
IIPTS	Inter-institutional platform for tourism statistics
ILO	International Labour Organization
IMF	International Monetary Fund
IPEA	Institute Applied Economic Research
IRTS 2008	International Recommendations for Tourism Statistics 2008
ISCED	International Standard Classification of Education
ISCO-08	International Standard Classification of Occupations 2008
ISIC	International Standard Industrial Classification of all Economic Activities
ISO	International Organization for Standardization
ITRS	International Transaction Recording System
LFS	Labour Force Survey
MERCOSUR	*Mercado Común del Sur*
MICE	Meetings, incentives, conferences, and exhibitions
MSITS	Manual of Statistics on International Trade in Services
n.e.c.	Not elsewhere classified

NA	National Accounts
NACE	Statistical Classification of Economic Activities in The European Community
NAICS	North American Industry Classification System
NES	National Employment Standards
NPISH	Non-profit institutions serving households
NQAF	National Quality Assurance Framework
NSO	National Statistical Office
NSS	National Statistical System
NTA	National Tourism Administration
OECD	Organization for Economic Co-operation and Development
PFG	Port Factor Groups
REVPAR	Revenue per Available Room
SCBP	Statistics Capacity Building Programme
SEEA	System of Economic and Environmental Accounts
SDMX	Statistical Data and Metadata Exchange
SNA	System of National Accounts
STS	System of Tourism Statistics
THRM	Tourism Human Resource Module
TSA	Tourism Satellite Account
TSA:RMF 2008	Tourism Satellite Account: Recommended Methodological Framework 2008
WTO	World Trade Organization
UNECE	United Nations Economic Commission for Europe
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNSC	United Nations Statistical Commission
UNSD	United Nations Statistics Division
UNWTO	United Nations World Tourism Organization
VAT	Value Added Tax
WB	World Bank

Introduction

In February 2008, the United Nations Statistical Commission adopted the *International Recommendations for Tourism Statistics 2008* (*IRTS 2008*) and requested that the World Tourism Organization (UNWTO) develop an implementation programme to support the implementation of *IRTS 2008*. This programme included the preparation of a *Compilation Guide* for tourism statistics.

Within the UN System, the common practice is that the adoption of an international statistical standard or set of international recommendations, such as the IRTS 2008, is followed by:

a. development of an *implementation programme*, consisting of training materials, workshops and technical assistance programmes to assist countries in basic data collection, compilation and dissemination of the data considered in the recommendation

b. preparation of a *compilation guide*, including the following steps:

- providing practical recommendations, based on best practices on how to collect data for the agreed list of variables presented in the international recommendations, including identification of units to be used, sample frames and design, source data, design and implementation of surveys as needed, national adaptations of classifications, statistical techniques for validation and editing, etc.;

- providing guidance on developing databases, paying particular attention to including metadata;

- selecting best practices, which is carried out on an on-going basis and is dynamically related to the compilation guide which is being updated periodically; and

- providing guidance on developing data quality frameworks to assess: (1) the conceptual compliance with the recommendations and (2) the scope of countries' implementation hereof. Data quality frameworks form the basis for assessing the extent of implementation on a regular basis.

The present *Compilation Guide* is intended to serve as the basic supporting document for the world-wide implementation of *IRTS 2008*. In this sense, it also provides guidance on how to submit information to UNWTO for inclusion in the most comprehensive international statistical database available on tourism (the *Compendium of Tourism Statistics*), with the objective of contributing to international comparability and a better understanding of tourism worldwide.

The *Compilation Guide* discusses new data sources and the application of statistical methods to changing circumstances. Statistical methods evolve over time and the *Compilation Guide* does not present a prescriptive or definitive approach to compiling tourism statistics. However, it presents strengths and weaknesses of different approaches and data adjustments required to compile data in accordance with *IRTS 2008*.

The *Compilation Guide* takes into consideration the existing international standards relevant to *IRTS 2008* and is aligned with the recommendations of existing compilation guides, such as the *Balance of Payments and International Investment Position Compilation Guide* and the *Compilers Guide for the Manual of Statistics of International Trade in Services*.

The general guidelines proposed by UNWTO are intended to promote the configuration of national *Systems of Tourism Statistics* (STS) with a view to:

- obtaining sets of data that are accurate and based on recommended principles to support international comparability;
- enabling countries to identify their statistical gaps and providing guidance on how to fill them; and
- supporting the monitoring and analysis of tourism policies.

The *Compilation Guide* includes comments and explanations on the different concepts introduced and used in *IRTS 2008*, orientation on the issues behind these recommendations, guidance on how to compile the recommended variables and aggregates, and examples of how some countries have solved specific problems. Some of the solutions can be considered best practices; others, while geared to particular national circumstances, may nevertheless be interesting as illustrations of how countries can overcome obstacles encountered in the compilation process.

The *Compilation Guide* is structured similarly to the *IRTS 2008* and provides extensive explanations and country examples of typical compilation issues, as follows:

- Chapter 1 discusses how the *System of Tourism Statistics* (STS) has been designed, describing the basic information framework developed to promote the international comparability of tourism statistics, and introduces the importance of institutional aspects for developing a STS.
- Chapter 2 provides a general overview of the demand-oriented conceptual framework of *IRTS 2008*, and the key concepts in the context of related observation issues.
- Chapter 3 describes issues that arise in measuring visitor flows and in observing their characteristics, the processes that countries can follow in doing so, and the ensuing basic data and indicators.
- Chapter 4 focuses on tourism expenditure, describing the measurement issues, the measurement instruments available, and the ensuing basic expenditure data and indicators.
- Chapter 5 discusses the classifications used in tourism statistics, in particular those related to products and activities.
- Chapter 6 describes the measurement of tourism supply in different forms of accommodation and also briefly discusses tourism supply from transport service providers, food and beverage service providers, and travel and reservation agencies.
- Chapter 7 focuses on employment and describes the concepts, definitions, basic categories and indicators of employment in the tourism industries from both a labour and an industry statistics perspective.
- Chapter 8 covers a number of cross-cutting topics which are relevant to the tourism statistics production process and meeting user needs, including quality management, the compilation of metadata, data dissemination and institutional aspects.

Additional information on compilation issues is provided in four annexes.

In order to keep the *Compilation Guide* as accurate as possible and to facilitate its update as new best practices are identified and countries provide the latest information on different statistical issues, this *Compilation Guide* is issued in two different formats:

- As an e-document with hyperlinks to *IRTS 2008*, other documents, country case studies and complementary material as deemed appropriate. It will be regularly updated to reflect new experiences considered useful for the statistics community. It will only be available in English, but will also include links that in some cases will direct readers to case studies in other languages (in the UN official languages where possible).

- In PDF format – for printing and translation to other languages (except for material in hyperlinks, case studies and complementary material) – to facilitate dissemination to other interested audiences, particularly users of tourism statistics.

Chapter 1. The role of the International Recommendations for Tourism Statistics 2008

This Chapter is structured as follows. The introductory Section A defines the System of Tourism Statistics (STS) and briefly discusses the role of Tourism Administrations in developing tourism statistics that are consistent with international standards. Next, in Section B, the conceptual framework of a STS is presented, including its links to the Tourism Satellite Account (TSA), and the importance of measuring tourism. Section C delves into more detail to describe the key statistical units and concludes with the basic information framework required for the international comparability of tourism statistics. Finally, Section D introduces the crucial importance of institutional aspects for developing a STS (this is further developed in Chapter 8 Section D).

A. Introduction

1.1. This *Compilation Guide* deals with the setting up of a national System of Tourism Statistics (STS). Tourism statistics covers data regarding visitors' activities (such as arrivals/departures, overnight stays, expenditures, main purpose of the trip, etc.) associated with the different forms of tourism (inbound, domestic and outbound), as well as tourism industries' activity, infrastructure and employment. Box 1.1 describes the international Classification of Statistical Activities which categorises tourism statistics as part of the National Statistics System (NSS).

1.2. The STS should be understood as that part of the NSS that provides reliable, consistent and appropriate statistical information on the socio-economic aspects of tourism, and which is integrated with economic and social statistics systems in other fields and at different territorial levels: national (or federal where appropriate), subnational and international.

1.3. The STS should be viewed as the basic framework for coordinating and integrating statistical information on tourism. It incorporates concepts, definitions, classifications, data, indicators, aggregated and tabulated results, so as to provide an exhaustive description of all aspects of the tourism phenomenon (physical, social, economic, etc.) and internationally comparable measurements of its economic contribution.

1.4. The development of a national STS is closely linked with the implementation of a Tourism Satellite Account (TSA). A TSA provides the conceptual framework and the organizational structure for integrating many tourism statistics with each other and with other economic statistics (mainly National Accounts and Balance of Payments data). In order for the TSA to be such an integrated framework, the same conditions as those required for the *System of National Accounts* (*SNA 2008*) should apply: tourism statistics should be coherent (the same concepts, definitions and classifications should apply to all related components) and consistent (measurements related with each component should be commensurable so as to be integrated within a unique analytical framework).

1.5. This explains why the International Recommendations for Tourism Statistics 2008 (*IRTS 2008*) emphasises the fact that the development of a *STS* is closely linked to the implementation of the other international recommendations regarding tourism statistics: i.e. the *Tourism Satellite Account – Recommended Methodological Framework* 2008 (*TSA:RMF 2008*). This linkage ensures the internal consistency of tourism data and their external consistency with the major systems of macroeconomic information, e.g. the National Accounts, as well as other systems of information linked to them. (*IRTS 2008, 1.34.* – *1.38.*).

1.6. It should be noted that the UN Statistical Commission (UNSC), in the final report of its thirty-ninth session (E/2008/24): "[…] *affirm[ed] the role of the System of National Accounts as the integrating framework in economic statistics, and recognize[ed] the importance of increasing the coherence of basic economic statistics for enhancing the quality and analytical value of both basic economic statistics and macroeconomic statistics".*

Box 1.1: Classification of Statistical Activities

The Classification of Statistical Activities (CSA) is an international standard for describing and categorising official statistical work by domain. CSA categorises tourism statistics as subject area in "Domain 2: Economic Statistics" (first level) and in the activity "sectoral statistics" (second level).

CLASSIFICATION OF STATISTICAL ACTIVITIES
- Domain 1: Demographic and social statistics
- Domain 2: Economic statistics
  - 2.1 Macroeconomic statistics
  - 2.2 Economic accounts
  - 2.3 Business statistics
  - 2.4 Sectoral statistics
    - 2.4.1 Agriculture, forestry, fisheries
    - 2.4.2 Energy
    - 2.4.3 Mining, manufacturing, construction
    - 2.4.4 Transport
    - ***2.4.5 Tourism***
    - 2.4.6 Banking, insurance, financial statistics
  - 2.5 Government finance, fiscal and public sector statistics
  - 2.6 International trade and balance of payments
  - 2.7 Prices
  - 2.8 Labour cost
  - 2.9 Science, technology and innovation
- Domain 3: Environment and multi-domain statistics
- Domain 4: Methodology of data collection, processing, dissemination and analysis
- Domain 5: Strategic and managerial issues of official statistics

Source: *UNECE, "Classification of Statistical Activities", 2013*

1.7. The national STS as part of a National System of Statistics (NSS) should be viewed as the basic framework for coordinating and integrating statistical information on tourism as produced by all types of stakeholders. For further information, please refer to *The System of Tourism Statistics: Basic References*, Section A.

1.8. The STS is defined as a set of interconnected statistical components comprising:

- statistical sources;
- data derived from those sources: statistics drawn from surveys, administrative records, statistics of a more synthetic nature, such as those integrated into and derived from the TSA, and the related data derived from adjacent statistical areas, like the balance of Payments and the National Accounts);
- the specific tools, methodological references and instruments used at certain stages of the process (concepts, definitions, classifications, databases, etc.); and
- the instrumental and organizational resources used in the statistical processes.

1.9. The STS encompasses in particular the technical aspects of field operations, the creation of the statistical infrastructure, the elaboration of the results, and the integration of the data into a genuine system of information.

1.10. The recommendations set out in *IRTS 2008* for national STSs will facilitate international comparisons as well as integration within each country's NSS (*The System of Tourism Statistics: Basic References*, Section B).

1.11. In addition to the basic data covered in *IRTS 2008*, countries might develop supplementary data and indicators relevant for key tourism stakeholders, derived from official and non-official sources, and consistent with the concepts and classifications presented in the *IRTS 2008* and used here. Examples are information on tourism satisfaction, the so-called tourism "products" (sun and beach, cultural tourism, etc.), attractions visited, comparative prices or taxes on tourism products, etc.

1.12. It should be noted here that the National Tourism Administration (NTA) is not the only agency involved with tourism. In many, if not most, countries the National Statistical Office (NSO), the Central Bank, Migration Authorities, etc. collect, or are a source for, statistics which are part of a STS. Following the *IRTS 2008* recommendation for inter-institutional relations, UNWTO recommends the establishment of a so-called Inter-institutional Platform, which would comprise representatives of all bodies which are involved in the collection and/or production of statistics relating to tourism (see Section D).

1.13. *IRTS 2008* requires and encourages a certain level of development of a country's STS. However it is recognised that not all countries are currently at the level of development to immediately implement these standards. UNWTO recommends that the standards are implemented in a staged way, first implementing the most basic standards and gradually building to implementing the more demanding elements. In the meantime, some countries have to rely on approximate data, where it is the only tourism-related data available. Such data might include:

- Balance of Payments data (from the travel and passenger transport items);
- Inbound visitors from immigration authorities based on nationality (even though, for tourism purposes, information should be based on country of residence);
- Data from hotel associations;
- Data from transport companies; and
- Data from commercial accommodation establishments.

1.14. Such data can be very useful in the absence of IRTS recommended data. As there might be a wide variety of such potential data sources, a NTA might feel that such data is sufficient and there is no need to invest in development of an STS which meets the international standards. However, UNWTO highly recommends, that such countries do invest in implementing the standards. Adherence to these standards provides credibility, internal consistency and international comparability to the data. It also ensures that the data is compatible with, and an official input to, macro-economic measures such as the National Accounts and the Balance of Payments. Such compatibility allows the measurement of tourism to enjoy a more credible status. This, in turn, assists significantly in making the advocacy of the importance of tourism easier and more credible than it otherwise would be, as well as support a more effective management of a sector that is inherently nested in the economy.

B. Setting up an internationally consistent System of Tourism Statistics (STS): The conceptual framework

1.15. It is worth recalling that UNWTO's first general guidelines on tourism statistics were issued at its fifth General Assembly, held in New Delhi in 1983. The Organization's *1993 Recommendations on Tourism Statistics*, adopted by the United Nations Statistical Commission (UNSC) and published in 1994, represent the first international recommendations to be issued on the subject. A second set of recommendations, relating to the TSA, the *Tourism Satellite Account: Recommended Methodological Framework 2000*, was adopted by UNSC in 2000 and published in 2001. These two sets of recommendations established the basic foundation for an *STS* as agreed upon by the international community. They have been followed by numerous contributions from institutions and individuals, each helping to enhance the credibility of the results obtained from measuring tourism's economic importance and other related variables.

1.16. The current recommendations, those outlined in *IRTS 2008* and in the *TSA:RMF 2008*, constitute the updated reference framework for all national STSs. Both are essential reference documents for the harmonization, coordination and integration of statistical information on tourism (non-monetary indicators, expenditure, consumption, production, and employment). They cover many aspects of tourism, even though some of these areas can be further developed: employment and certain components of demand (such as collective consumption and gross fixed capital formation) for the purpose of also identifying the corresponding supply.

1.17. In addition, the conceptual framework established in the *IRTS 2008* and *TSA: RMF 2008* could eventually be extended to include, inter alia, the following:

- analysis of foreign direct investment (FDI) in the tourism industries;
- the development of a sub-national perspective; and possibly
- the links with other statistical systems, such as environmental accounts, and the relationship between tourism and sustainability.

1.18. While it is up to each country to develop its own STS, UNWTO recommends adherence to the *Fundamental Principles of Official Statistics* adopted by the United Nations Statistical Commission in its Special Session of 11-15 April 1994, as indicated in *IRTS 2008, Chapter 9*.

1.19. In providing guidance on the steps required for credible statistics, these principles should be understood as a necessary condition to maintain users' confidence in tourism statistics. They should also maintain public access to the statistics at a level of detail that allows for extensive use by a variety of users while guaranteeing the integrity, transparency and confidentiality of individual data (e.g. providing access to microdata[1] once the data confidentiality and the anonymity of individual data has been ensured.

1.20. One of the characteristics of tourism is that it cuts across many domains and disciplines. It cannot be defined from the supply side. In other words: it cannot be defined either by a set of products or by specific production activities (even though some products and (productive) activities are particularly relevant and are defined as "tourism characteristic"; see Chapter 5 and Chapter 6). Rather, tourism is defined from the demand side. In other words: tourism is

[1] Microdata is information at the level of individual respondents and usually large quantities of data are involved. However, there is also a risk in the use of microdata if the resulting analysis is based on few observations.

defined in terms of the activities of consumers who are defined as "visitors" (see Chapter 2).

This means that, in setting up and developing a STS, it is essential to work closely with the many relevant overlapping subject areas, such as passenger transport, numerous personal service activities, migration, and obviously Balance of Payments (in terms of expenditure by international travellers).

1.21. The specific role of the TSA within the STS needs to be highlighted. It should be understood as:

a. The instrument for identifying and measuring the contribution[2] of tourism to the national economy, in line with the National Accounts framework, and thus allowing comparisons with other economic domains. For example, the %GDP attributable to tourism derived from the TSA can be compared to the %GDP attributable to agriculture derived from the core National Accounts.

b. A systematic means to achieve total coverage in terms of visitors, their expenditure, and the industries serving visitors, as well as a reasoned reconciliation of the different statistical sources involved, in order to ensure consistency among the data derived from them. In this respect, setting up a TSA should be viewed as an important step in building a full-fledged STS. This is because it requires evaluation of the quality, consistency and limitations of existing tourism statistics. These can then be used to develop a comprehensive, coherent STS integrated with other parts of the National Statistical System.

c. Part of a system of information in which individual sources are interconnected (for instance, annual data are consistent with monthly or quarterly data; demand data match information on supply; specific analyses are consistent with general ones, etc.).

d. A macroeconomic accounting tool with which to develop structural relationships with other macroeconomic frameworks, particularly the Balance of Payments and the National Accounts. This relationship should be conceptual but should also be based on shared analyses of the data and the coordination of overlapping statistical operations, to ensure consistent measurements.

1.22. The general guidelines proposed by UNWTO are aimed at promoting the development and formulation of an STS with a view to:

a. guiding the development of statistics in order to obtain sets of data that are sufficiently accurate to allow more advanced international comparability;

b. enabling countries to identify their statistical gaps and providing guidance on how to fill them;

c. fostering more efficient design and monitoring of tourism policies, such as in the area of marketing, or in relation to competitiveness and employment in the sector; and

d. providing information for businesses and their decision-making process.

[2] The TSA is an account of the direct contribution of tourism in the economy. It is not designed to generate the wider economic *impact* (which entails the direct, indirect and induced effects) of tourism that policy-makers are often interested in. However, a TSA is the requisite starting point to understand these broader impacts of tourism on national economies. For more information see *TSA: RMF 2008 Annex 6*.

C. Setting up an internationally consistent System of Tourism Statistics (STS): International comparability of basic data and indicators

1.23. Following the approval of *IRTS 2008* by the United Nations Statistical Commission, there was a need to define a new information framework to support the international comparability of tourism statistics.

1.24. As for all statistical systems, and in order to create statistics that are consistent across entities and internationally comparable, it is necessary for the STS to define and delineate standard statistical units that are suitable for data compilation and aggregation[3]. Statistical units are related and ultimately give way to the basic data and indicators.

1.25. *Statistical units* are defined as the entities about which information is sought and about which statistics are compiled. These may be identifiable legal or physical entities or statistical constructs. Statistical units can be divided into (see also the example in Box 1.2):

- *observation units*, which are the entities on which information is received and statistics are compiled; and
- *analytical units*, which are created by statisticians, often by splitting or combining observation units with the help of estimations and imputations in order to compile more detailed and more homogeneous statistics than is possible using data on observation units.

1.26. In addition, "*reporting units* are the units that supply the data for a given survey instance", like a questionnaire or interview. Reporting units may, or may not, be the same as the observation unit. For example, "if an accountant provides data for several businesses, each of which have been selected for a statistical survey, the accountant is the reporting unit, whereas the individual businesses are observation units"[4].

1.27. In tourism statistics, from the demand perspective, the basic statistical units of interest are visitors and trips (more information on the statistical units relevant in tourism is given in Chapter 2, Section B.3). Visitors are often both observation units and reporting units, as in the case of visitor surveys. In addition, visitors may sometimes provide information on the travel parties and travel groups in which they travel or have travelled, in which case the travel parties and travel groups become analytical units because they are not directly observed but constructed using information collected from the reporting units (the visitors).

Box 1.2: Examples of observation unit, analytical unit and reporting unit

1. A hotel with food and beverage services is selected as the *observation unit*. It has an identifiable legal, organizational or physical entity which is able to report data about its activities. *Analytical units* of the hotel could be the accommodation services and the food and beverage services because they are homogeneous units of production.

2. Trips to country X are chosen as *observation units* and the visitors to country X could be the *reporting unit* of these trips. Another reporting unit could be the migration authority of country X. If the National Tourism Administration is interested in a social analysis of tourism, the visitor to country X can become the *observation unit* and would coincide in this case with the *reporting unit*.

[3] For example: UN Statistical Papers M No. 4/Rev.4, International Standard Industrial Classification of All Economic Activities (ISIC), paragraphs. 67 to 70.

[4] United Nations Economic Commission for Europe (UNECE), "Terminology on Statistical Metadata", Conference of European Statisticians Statistical Standards and Studies, No. 53, Geneva, 2000.

1.28. From the supply perspective, the statistical units of interest are producing units, i.e. business establishments, which are grouped into industries. Information on establishments can be collected directly from the establishments themselves (in which case the establishment is both the observation unit and the reporting unit) or, exceptionally, from their parent enterprises.

1.29. The following scheme illustrates an approximate basic information framework for measuring tourism. It includes the conceptual framework, the classifications and the tables of results to present the ensuing basic data and indicators. It highlights key concepts, corresponding statistical units and some of their characteristics. The main interrelationships within the framework are shown, even though they should not be considered as a one-to-one relation.

Figure 1.1: Basic Information Framework for International Comparability

1. Conceptual framework		
Concepts	**Statistical units**	**Some related characteristics**
Visitor (as opposed to traveller) *IRTS 2008 para. 2.9*	Visitor / Travel party	Overnight visitor (tourist), same-day visitor (excursionist) Country of residence / regions Demographics Size …
Tourism trip (as opposed to all trips) *IRTS 2008 para. 2.29*	Tourism trip / Tourism visit	Main purpose Duration Origin and main destination Modes of transport Types of accommodation Organization Expenditure …
Tourism industries *IRTS 2008 para. 6.15-16*	Enterprise / Establishment	Output Intermediate consumption Gross value added Compensation of employees Gross Fixed Capital Formation Rooms, bed-places, (room or bed) occupancy rates, and others often …
Employment *IRTS 2008 para. 7.4-9*	Establishment / Person / Job	Persons employed Size Status in employment (part-time, full-time) Gender Jobs Hours of work Full-time equivalent jobs Wages and salaries …

2. Classifications
2.1 Forms of tourism
2.2 Classification of consumption products acquired by visitors
2.3 Classification of productive activities serving visitors
2.4 Other classifications

3. Tables of results: basic data and indicators
3.1 Inbound tourism
3.2 Domestic tourism
3.3 Outbound tourism
3.4 Tourism industries
3.5 Employment in the tourism industries
3.6 Complementary indicators

D. Importance of institutional arrangements in developing a System of Tourism Statistics (STS)

1.30. Not least due to the interdisciplinary character of tourism, the statistical process resulting in official tourism statistics requires participation of many stakeholders. The successful development of System of Tourism Statistics (STS) is based on a culture of collaboration among stakeholders who pool their financial, human and technical resources, knowledge and interests towards creating a common dataset. All institutions that are related to tourism statistics, either as provider of information or as user, should be involved in order to coordinate and commit their active participation in the development of the STS. This Section provides an overview of the governance implications in developing a System of Tourism Statistics, Chapter 8, Section D, goes into more depth.

1.31. For many of these agencies the participation in the tourism statistics production process may not be high on the priority list. Therefore, establishing a set of agreements on the division of the responsibilities between the agencies which might be instrumental for the compilation of tourism statistics and TSA, is absolutely essential. *IRTS 2008* touches upon this issue of inter-agency cooperation in its *Chapter 9*. Such agreements are now generally referred to by the UN Statistical Commission (UNSC) as institutional arrangements. This is very much related to the *Inter-institutional Platform* that UNWTO has traditionally recommended in its technical assistance and capacity building initiatives.

1.32. There are a number of advantages of this institutional cooperation, such as:

- the stakeholders understand their fundamental role within the statistical process, and are more willing to make efforts to provide the information they produce on time and in the exact terms in which they are needed;
- the project takes on the nature of a “State or national initiative”;
- it facilitates access to the necessary funding from within the country or outside;
- the institutional support provides legitimacy and credibility of the results;
- it contributes to ensuring that tourism statistics are compiled and disseminated in the most efficient way (see also paragraph 8.30);
- finally, it offers greater guarantees of sustainability of the effort to improve the national System of Tourism Statistics.

1.33. The proper environment for the development of a STS should be a proactive and synergetic *Inter-Institutional Platform* involving various categories of institutions:

a. Bodies that produce statistics and basic tourism information:
   i. National Statistical Office (NSO) – as producers of basic statistics and compilers of National Accounts
   ii. National Tourism Administration (NTA) – as the entity responsible for public policy in tourism and for the coordination of public and private stakeholders
   iii. Central Bank (CB) - as they often compile the Balance of Payments
   iv. Immigration and Border protection authorities – as responsible for border procedures
   v. associations of national tourism enterprises – as they are often providers of information as well as key users of tourism statistics

b. Users (or potential users) of the information, such as:
   i. tourism industries representatives and other private sector entities
   ii. universities and centres for research on tourism

Depending on the country circumstances, the following may have a significant involvement as well: Customs Administration, Ministry of Trade/Economy, Ministry of Finance/Tax authorities, and others may have a significant involvement as well.

1.34. The way such an *Inter-Institutional Platform* should be set up depends heavily on the organization of the statistical system of the country, and the way institutions are used to set up structures to collaborate on the development of common projects. Chapter 8 delves into the specifics of the forms that collaboration agreements between entities might take, and the structure (levels of decision) of such collaboration.

1.35. All these institutions should participate in the description and evaluation of tourism, bringing together, in an ordered fashion, all the information and specific knowledge they have on specific or general aspects of tourism in the country.

Chapter 2. The demand perspective: conceptual background and related observation issues

This chapter is organized as follows. After a brief introduction (Section A), Section B presents the basic concepts used in tourism statistics, explaining how the methodological definitions of the IRTS 2008 can be converted into more operational definitions that allow observation and collection of data. This includes a discussion of statistical units). In Section C, the characteristics of the main statistical units (tourism trip and visitor) are discussed. The last part, Section D., briefly discusses how to qualify tourism in respect of borders—i.e. the forms of tourism: inbound, domestic and outbound— in order to determine the economy to which the economic effects of tourism pertain.

A. Introduction

2.1. The *IRTS 2008, Chapter 2* identifies and quantifies visitor activity based on monetary as well as non-monetary indicators.

2.2. From the perspective of tourism as an economic activity, "demand" relates to the activities carried out by a visitor (as defined in *IRTS 2008, 2.41. – 2.49.*) involving:

(i) the acquisition of a good or a service in the market; or
(ii) the acquisition of non-market goods and services provided either on own account (e.g. accommodation services provided by vacation homes), or by government or by non-profit institutions serving households (NPISHs) to visitors.

These activities represent the actions and behaviours of people in preparation for and during a tourism trip (as defined) in their capacity as consumers. Excluded are post-trip activities (e.g. replacing goods damaged or lost during the trip, cleaning clothes, printing pictures taken during the trip)[5]. Payments associated with expenditure during or before the trip are recorded on an accrual (not cash) basis, to ensure consistency with other macroeconomic frameworks (National Accounts and Balance of Payments)[5].

2.3. Tourism has an impact on a visitor's place of origin, on the economy and local population of the place visited, on the natural and built environment and on the visitors themselves. It might also have consequences in other economies: China, for instance, produces souvenirs for the expenditure of visitors all over the world. Similarly, fuel consumption for air travel boosts world demand for crude oil.[6] Or as another example, the residents of country A visiting country B (the reference of country) may travel with carriers or use travel agencies established in a third country C. In a first approximation, it has been decided to exclude such third-country impacts from the measurement of tourism expenditure.[7]

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[5] Note that this is a departure from the recommendations in the previous IRTS edition. The main differences between the *IRTS 2008* and the 1993 Recommendations on Tourism Statistics are listed in *Annex 1 of IRTS 2008*.

[6] International organisations started to examine to what extend internationally traded goods and services are composed of inputs from various countries around the world. Usually, the flows of goods and services within global production chains are not always reflected in conventional measures of international trade. The joint OECD – WTO initiative "Measuring Trade in Value-Added" addresses this issue, see also Sturgeon (2013).

[7] In addition, tourism expenditure usually excludes additional effects on third parties not involved in the transaction (externalities). From the perspective of those affected, these effects may be negative (pollution from aviation), or positive (availability of aviation infrastructure).

B. Operationalizing the basic concepts in tourism statistics

2.4. The basic concepts used in tourism statistics, such as "country of reference", "country of residence", "nationality", "usual environment", "traveller", "visitor", "trip and visit", and "forms of tourism", are explained in *IRTS 2008, Chapter 2* (and also in the additional chapter "Glossary: Understanding Tourism").

2.5. The present chapter will develop and clarify key points in relation to the definitions that are required for the subsequent measurement of these concepts.

B.1. Country of residence/Place of residence

2.6. The concepts "country of residence" and "country (or economy) of reference" are shared with other related frameworks, such as the System of National Accounts (*SNA 2008*) and the Balance of Payments and International Investment Position Manual, sixth edition (*BPM6*), and are based on the same criteria (*IRTS 2008, 2.16 – 2.18)*.

2.7. A traveller's country of residence is defined as the country of his/her "predominant centre of economic interest"[8], usually the place of his/her principal dwelling.

2.8. In macroeconomic statistics and measurements, individual transactors are characterized by their country of residence rather than their nationality; a transactor's residence is the basic criterion for differentiating between transactions within his/her own national economy (with other residents) and those involving the rest of the world (i.e. with non-residents). It is also applicable to individuals taking trips, and to the productive activities that serve such individuals.

2.9. International visitors should thus also be classified according to their country of residence, rather than their nationality (*IRTS 2008, 2.19 – 2.20)*. Migration authorities, because of their specific function, however, tend to classify travellers by nationality. In the case of nationals, they tend not to be concerned about their places of actual residence.

2.10. Doubts may arise in certain cases, such as that of retirees, who often spend long periods of time in different dwellings (homes) and countries about their country of residence. A retiree from the United States or Canada, for example, might own a dwelling (home) and spend the winter months in a Caribbean country.

2.11. Application of the Balance of Payments (*BPM6*) criterion (see paragraph 4.5 below) should be sufficient to determine a traveller's country of residence. In cases where various countries compete for designation as "centre of predominant economic interest", the country of residence must be defined and measured collectively, within the Inter-Institutional Platform, (see paragraph 1.12) to ensure consistency with all related compilation frameworks (National Accounts (paragraph 26.37), Balance of Payments (paragraph 4.117), Migration Statistics and Tourism Statistics). The country of residence so determined may be different from a traveller's legal country of residence.

[8] *SNA 2008, 4.10* defines "predominant centre of economic interest" as the economic territory with which an (institutional) unit has the strongest connection. The connection is determined from aspects such as physical presence and being subject to the jurisdiction of the government of the territory.

2.12. It is also more useful from a tourism policy perspective to group visitors by country of residence rather than nationality, in order to target a destination's marketing campaigns geographically. On the other hand, countries might find it useful to collect information on nationality as well, particularly in the case of nationals residing abroad: their behaviour as inbound visitors often differs from that of most visitors, as they mainly stay with family and friends and tend to visit places of personal interest, as opposed to tourist sites that are of more interest for other types of visitors, for example.

Place of usual residence

2.13. Since tourism statistics are concerned with domestic as well as international visitor flows, a visitor's place of usual residence within a country needs also to be specified.

2.14. *IRTS 2008, 2.18.*, recommends the same definition for "place of usual residence" as determined in household surveys, which usually follows the United Nations *Principles and recommendations for population and housing censuses*: The second revision of this publication defines usual residence for census purposes as *"the place at which the person lives at the time of the census, and has been there for some time or intends to stay there for some time"*, United Nations (2008b), paragraph 1.461. It is further recommended that "*countries apply a threshold of 12 months when considering place of usual residence according to one of the following two criteria: (a) the place at which the person has lived continuously for most of the last 12 months (that is, for at least six months and one day), not including temporary absences for holidays or work assignments, or intends to live for at least six months; (b) the place at which the person has lived continuously for at least the last 12 months, not including temporary absences for holidays or work assignments, or intends to live for at least 12 months. Persons who move frequently and do not have a place of usual residence should be enumerated at the place where they are found at the time of the census*", United Nations (2008b, paragraphs 1.463 and 1.464) and United Nations (1998). Most persons will state that their place of usual residence is that of his or her principal dwelling, that is, where most of the person's time is spent in the year.

2.15. The *IRTS 2008* does not specify any duration threshold beyond which a person's place of stay turns into his/her place of usual residence. Therefore, this Guide advises countries to follow the UN recommendations cited above to ensure better international data comparability and also because it is consistent with the one year criterion used for determining country of residence in National Accounts and Balance of Payments.

2.16. In tourism statistics but also in population/migration statistics and BoP statistics there is one case where a person might not have lived in a country/place for one year for it to be considered as their place of residence. This is where a person has migrated to that place within the past year and intends to live there for more than a year. On immediate arrival in that intended place of residence, that place is treated as his or her place of residence.

2.17. The Manual on Balance of Payments (*BPM6, 4.117*) and Principles and Recommendations for Population and Housing Censuses, Revision 2 (paragraph 1.463) give additional indications on how to establish a household's country of residence that are also applicable in determining place of usual residence, as reproduced below for easy reference:

Box 2.1: The concept of the country of residence of households in Balance of Payments statistics

4.117 A household is resident in the economic territory in which household members maintain or intend to maintain a dwelling or succession of dwellings treated and used by members of the household as their principal dwelling. Being present for **one year or more** in a territory or intending to do so is sufficient to qualify as having a principal dwelling there. If there is uncertainty about which dwelling is the principal dwelling, it is identified from the length of time spent there, rather than other factors such as presence of other family members, cost, size, or length of tenure.

4.118 Individuals who belong to the same household must be residents of the same territory. If a member of an existing household ceases to reside in the territory where his or her household is resident, the individual ceases to be a member of that household. As a result of this definition, the use of households as the institutional unit is compatible with residence being determined on an individual basis.

4.126 Some individuals have close connections with two or more territories, for example, they have dwellings in more than one territory in which they spend significant amounts of time. For individuals who do not have continuous actual or intended presence in any one territory for one year, the territory of the principal dwelling they maintain is the key consideration. In cases of no principal dwelling, or two or more principal dwellings in different economies, the territory of residence is determined on the basis of the territory in which the predominant amount of time is spent in the year. While these individuals need to be classified as residents of a single economy for statistical purposes, additional information may be needed in recognition of strong ties to another economy…."

Source: *International Monetary Fund, Balance of Payments and International Investment Position Manual (BPM6)*

Box 2.2: Country example – Definition of country of residence in Austria

In the case of Austria for the purpose of observing national tourism, there is no need for tourism statisticians to be concerned about the definition of "country of residence", since the sample for the survey concerning national tourism is drawn from the Central Registration Register of the Ministry of Interior. All persons with permanent or secondary residence in Austria are registered there. The scope of residence is defined by the register. For tourism statistics purposes, it is only necessary to determine the place of usual residence within the country.

Source: *Statistics Austria, 2013*

B.2. The usual environment of an individual

2.18. While the concept of residence is common to statistics on Balance of Payments, National Accounts or International Trade in Services, that of "usual environment" is specific to tourism statistics, where it is used as a defining condition, additional to that of residence.

2.19. The concept of usual environment plays a major role in tourism statistics: to be considered a tourism trip, travel must take the traveller outside his/her usual environment (*IRTS 2008, 2.9.*).

2.20. The *IRTS 2008, 2.21* provides the following definition "The usual environment of an individual, a key concept in tourism, is defined as the geographical area (though not necessarily a contiguous one) within which an individual conducts his/her regular life routines."

2.21. A precise definition of usual environment is evidently crucial for determining and analysing domestic tourism but it can also be important for international tourism (see Section D). This is so where migration authorities apply special conditions for populations living near national borders, in order to facilitate their regular cross-border travel, waiving the normal immigration procedures.

2.22. Despite repeated efforts, however, it has not been possible, owing to differences between and within countries – in population density, transport accessibility, cultural behaviour, proximity to national or administrative borders and other factors – to develop a unique world-wide statistical and operational definition of an individual's usual environment (*IRTS 2008, 2.24.*).

Box 2.3: Research on defining the usual environment

A working group, under the leadership of the Canadian Tourism Commission (CTC) and the Instituto de Estudios Turísticos (IET) of Spain, was setup in 2002 in order to study different country experiences in defining the usual environment and to present an operational proposal (Research on National Practices Defining the Usual Environment: Basic Findings).

Within this framework, the IET included research on the effect of choosing different criteria to define the usual environment on the number of tourism trips (other than short trips to vacation homes).
Some important consequences that derive from this research warrant quotation:

"… It has been empirically demonstrated by research in both Spain and Canada that differences in the choice of operational definitions of the usual environment concept… produce significant differences in the size of estimates in the total volume of tourism…

No international or domestic consistency exists in the operational definitions employed by different countries, or within some national jurisdictions, in their domestic travel surveys and analyses;

Using the usual environment concept as a respondent category introduces subjectivity, confusion and unsystematic variation in reported travel activity;

Using a simple travel distance criterion, on the other hand, introduces a false appearance of objectivity by masking subjective differences in respondents' abilities to recall and accurately measure travel distance, thereby contributing to increased uncontrolled variance and volatility in subsequent data;

A different measurement criterion for a departure from the usual environment – "crossing an administrative boundary" – could potentially provide an arbitrary gross standard as a 'minimum basis of comparison' for the purpose of international reporting, cumulative statistics and analysis;

For Canada however (and possibly other countries with very large areas and similarly low population densities such as Australia and Russia), the exceedingly large size of some administrative units in sparsely settled regions (which are larger than many other whole countries) requires some supplementary criterion …."

2.23. Based on the evidence generated by this research, still generally valid today, and on relevant recommendations in *IRTS 2008, 2.21.* – *2.28.* and *2.50.* – *2.53.*, the operational definition of an individual's usual environment should be flexible; the recommendations indicate four possible criteria to be used:

(a) Frequency of the trip (except for visits to vacation homes);
(b) Duration of the trip;
(c) The crossing of administrative or national borders;
(d) Distance from the place of usual residence.

There is no dominance of one criterion over another. However, the criteria "frequency" and "duration" are essential and it is recommended to include the remaining two in the definition of usual environment if possible (*IRTS 2008, 2.53.*). When disseminating the results, each country should clearly indicate what criteria were used.

B.2.1. Criterion "frequency"

2.24. Places visited frequently as part of a regular life routine are considered part of an individual's usual environment irrespective of the distance travelled. Regular shopping trips across a national border, for instance, are not to be considered as tourism trips. Commuter travel for work or study, weekly visits to church or hospital to visit family members, and regular medical visits are other examples of travel within an individual's usual environment, and are therefore not considered tourism trips (*IRTS 2008, 2.23 – 2.24.*).

2.25. Vacation homes, on the other hand, even if frequently or routinely visited, are considered outside the usual environment (*IRTS 2008, 2.28.*), as their visit represent a break away from the regular routine of (mostly urban) life. Only in certain exceptional cases – particularly when they are situated within the same locality as the individual's place of residence, such that no large distance is covered and no administrative borders are crossed (as sometimes observed in Europe, particularly Austria) – might trips to such vacation homes not be considered tourism trips.

2.26. Not all secondary dwellings are necessarily vacation homes. For example, if a family lives close to a city on the country side and one household member works in the city centre and the household owns or leases a secondary dwelling in the city, both dwellings are part of the usual environment and are not vacation homes. Vacation homes should be classified as such through the respondent or if the use as vacation home is apparent.

2.27. Staying at paid accommodation close to the usual place of residence (at a hotel or spa) is not considered a tourism activity unless the accommodation is outside the usual environment (*IRTS 2008, 2.52 – 2.53.*).

2.28. The repetition of trips by an individual can influence their classification, or not, as tourism trips (*IRTS 2008, 2.23 – 2.24.*):

- Routine trips to the same place, once or more a week, tend not to be considered tourism trips; such places are treated as part of the traveller's usual environment (the frequency criterion applied to the definition of usual environment).

- Trips taken (frequently or not) by students between their place of study and the place of usual residence of the household to which they belong are also outside the scope of tourism, since both places belong to their usual environment.

- Similarly, for workers travelling between their place of work and the place of usual residence of the household to which they belong, such trips are also outside the scope of tourism, since both places belong to their usual environment.

Box 2.4: The repetition of trips

Nevertheless, for the purpose of marketing analysis, identifying "repeat" trips by the same individuals is often viewed as an important indicator of satisfaction. In fact, many countries, in collecting information from travellers, include questions on the repetition of trips, tabulate such results and consider that a high incidence of repetition is a positive indication of visitor interest in the destination. Such repetition should not be so frequent, however, that the place visited becomes part of the usual environment.

Box 2.5: Country example – "Once a week" frequency

In Australia Tourism Research Australia adopts a "once a week" frequency criteria for usual environment. Other usual environment criteria include questions asking respondents if they are commuting to/from usual place of work/study; whether their travel was an intrinsic part of their job, e.g. bus driver, air crew.

Source: *Australian Bureau of Statistics, 2013*

B.2.2. Criterion "duration"

2.29. *IRTS 2008, 2.33.* recommends that countries should "*define the minimum duration of stops to be considered as tourism visits*". Some country examples of minimum duration are listed in Table 2.1.

B.2.3. Criterion "administrative border"

2.30. One criterion should be the crossing of an administrative border, combined if necessary with physical distance (*IRTS 2008, 2.52 – 2.53.*); in some small countries (particularly small island countries), this may result in all movements by residents within the country being considered as happening within the usual environment, which means that there is no domestic tourism.

B.2.4. Criterion "distance"

2.31. Each country should determine the threshold for distance in the definition of usual environment according to the current behaviour of visitors. Country examples of thresholds for distance are listed in Table 2.1. (*IRTS 2008, 2.52 – 2.53.*).

B.2.5. Summary

2.32. To determine the usual environment countries should use the criteria frequency, duration, crossing of administrative borders, and distance from the place of usual residence. This combination serves to exclude routine trips across subnational (municipal, regional) or national borders, particularly for populations living in their vicinity or frequently travelling between their household's place of residence and place of work or study.

Box 2.6: Hypothetical example – Definition of usual environment

Country A uses three criteria to define the usual environment				
Criteria	⇩	**Traveller 1**	**Traveller 2**	**Traveller 3**
Frequency (regular, irregular, "once a week" rule)	applied	irregular	irregular	regular, once a week
Duration (set to 4 hours)	applied	more than 4 hours	more than 4 hours	more than 4 hours
Administrative borders (yes/no)	not applied	no	no	yes
Distance (set to 50 km)	applied	exceeds 50 km	does not exceed 50 km	exceeds 50 km
		⇩	⇩	⇩
		Visitor	Non-Visitor	Non-Visitor

Country B uses four criteria to define the usual environment				
Criteria	⇩	**Traveller 1**	**Traveller 2**	**Traveller 3**
Frequency (regular/irregular, "once a week" rule)	applied	irregular	irregular	regular, once a week
Duration (set to 4 hours)	applied	more than 4 hours	more than 4 hours	more than 4 hours
Administrative borders (yes/no)	applied	no	no	yes
Distance (set to 50 km)	applied	exceeds 50 km	does not exceed 50 km	exceeds 50 km
		⇩	⇩	⇩
		Non-Visitor	Non-Visitor	Non-Visitor

criterion not fulfilled
criterion fulfilled
criterion not applied

Note: Country A and B should check if the person travels to a vacation home. Trips to vacation homes are usually tourism trips.

Box 2.7: Country example – Usual environment in Australia

Administrative (e.g. local council) boundaries in Australia are very variable. The distance criterion has been found to be suitable for both rural and city dwellers. Therefore the following rules apply in Australia to define the usual environment:

Same-Day Visitor: Travelled a distance of at least 50 kilometres and were away from home for at least 4 hours but did not stay overnight.

Overnight Visitor: Stayed away from home for at least one night, at a place at least 40 kilometres away from home.

Same day travel as part of overnight travel is excluded, as is routine travel such as commuting between work/school and home.

Source: *Australian Bureau of Statistics, 2013*

Box 2.8: Country example – Conditions for usual environment in New Zealand

In New Zealand, for a tourist to be outside his/her usual environment they must satisfy at least one of the following conditions:

- travel by a scheduled flight or inter-island ferry service
- travel more than 40 kilometres from their residence (one way) and outside the area they commute to for work or visit daily
- travel as an international tourist.

Source: *Statistics New Zealand, 2013*

Box 2.9: Country example – Definition of usual environment in Austria

At Statistics Austria, domestic and outbound trips are identified by means of telephone interviews (sample surveys via CATI), so the definition of usual environment currently in use is broad. It lacks a minimum duration threshold, but does take into account the respondent's subjective feeling as to whether a trip should be considered a tourism trip.

Respondents are first asked if they have made a trip for private or business reasons, including visits to friends or relatives or to vacation homes they might own (since respondents often assume that such trips do not count). Respondents answering "yes" are informed that trips within the usual environment (the direct living environment of home and place of work or study and other frequently visited places – even if relatively far from home) as well as routine trips (every other week on average, or more frequently) should not be included.

Source: *Statistics Austria, 2013*

Box 2.10: Country example – Definition of usual environment: Georgian Case

In the context of tourism statistics, the Georgian National Tourism Administration, uses two simultaneous methods for classification: location and regularity.

The location method takes into consideration the municipal structure of the country. That is, for defining the usual environment it is crucial whether a domestic traveller made a trip out of his/her municipality. Travel inside the municipality of residence is considered as movement within usual environment. Hence, these types of travellers are excluded from domestic visitors.

The second method defines a specific frequency of visits that is considered as regular. Particularly, if a Georgian domestic traveller visits another municipality less than one time per two weeks, it is not considered as regular, therefore it is classified as a domestic visit. On the contrary, visits which take place more frequently than one time per two weeks are not counted, as they are understood as regular trips. Again, these types of travellers are excluded from the number of domestic visitors.

According to the above methods, the Georgian National Tourism Administration conducts monthly survey of domestic travellers based on personal, face-to-face interviews. The survey collects information from a representative sample (800 respondents) of the resident population aged 15 and above, who had visiting experience in the country within the last month.

Source: *Georgian National Tourism Administration, 2013*

Box 2.11: Country example – Definition of the usual environment in Egypt

Egypt adopted a definition of the usual environment on the basis of habituation criterion. That is to say, the undertaken trip can be repetitive but to different geographical locations and not bounded by time limits. Also, this definition relies partially on respondents' opinions through discussions while filling out the domestic tourism survey questionnaire.

Source: *Ministry of Tourism of Egypt, TSA in Egypt: Final Report, 2011*

Table 2.1: Criteria for usual environment in selected countries

Duration (Hour)	Frequency of Visit	Respondents' self-opining	Administrative Borders	Distance (Km)	Criterion / Country
	Twice a month	√	√		Austria
	Once a week			30	Chile
	Once a week			30-50	Finland
		√		100	France
		√	√	100	Indonesia
	Once a week	√			Ireland
5		√			Israel
	Daily	√	√		Latvia
2				10	Netherlands
	Once a month			80	Saudi Arabia
4		√			Switzerland
				80-120	United States
	Daily			50	Cyprus
3	Once a week	√	√		Czech
					Netherlands
				50	Sweden
	Ten visits in 3 months			50	Slovenia
3					United Kingdom
				50	South Africa
		√			Spain
		√			Portugal
		√	√		Germany

Source: *Ministry of Tourism of Egypt, TSA in Egypt: Final Report, 2011*

B.3. Statistical units

B.3.1. Visitor

2.33. A visitor is a traveller taking a tourism trip; a tourism trip is a trip taken by only one visitor. However, a person (as visitor) can take several tourism trips during an observation period and each time enter the "*transient situation*" (*IRTS 2008, 1.11.*) of being a visitor.

2.34. Visitors represent a subset of travellers. (The "traveller" concept is implicit in Balance of Payments: *BPM6* now uses the terminology "resident/non-resident" instead). In compiling tourism data, distinguishing between these two concepts of "visitor" and "traveller" is crucial.

2.35. Being a visitor is a transient situation and refers to the relationship between a traveller and the country/place he/she visits. To be considered a visitor one must pay a visit to a place (e.g., a municipality, region, country or other territorial entity). For a place to be considered as being visited (so that the traveller concerned can be considered a visitor to that place) the traveller must stay in that place for a minimum duration and engage in some kind of activity, even if non-economic in character (for example, a stop to visit a free landmark). Driving through a place (e.g. in transit through a town) without stopping is not considered a visit for the purpose of tourism statistics (although it may be relevant for studies of mobility, to determine where road infrastructure might be required, for instance).

2.36. It should be recalled that observing a tourism trip or visit (see Sections B.3.2 and B.3.3) is not the same as observing a "visitor" (as person), since an individual might make more than one trip during the observation period (*IRTS 2008, 2.34.*) although the language used is often ambiguous, speaking of persons instead of trips. The trip is the statistical unit of tourism statistics and the visitor is an attribute of the trip.

B.3.2. Tourism trip

2.37. *IRTS 2008, 2.9.* defines a tourism trip as a trip taken by a traveller to a main destination outside his/her usual environment, for less than a year, for any main purpose other than to be employed by a resident entity in the country or place visited.

2.38. However, a trip can be viewed from two different perspectives:

(i) from the perspective of the traveller (visitor); or
(ii) from the perspective of the place(s) visited).

The meaning of the term "trip" is slightly different in each case.

2.39. The perspective of the traveller (visitor): Aspects or attributes of the traveller's (visitor's) trip are usually gathered by way of survey of travellers (visitors). In this case, the term "trip" refers to a round trip, including all destinations visited, from and back to the travellers' usual environment. Viewed in this way, a round trip often includes visits to different places with stays of varying duration in each one.

2.40. The perspective of a place visited: This applies when the focus of the data being collected is from that of a destination (either a whole country or a place within a country). This applies when a destination wishes to know about the numbers of visitors and attributes of their visits. This is usually undertaken by way of surveys of visitors in the actual destination. In this case the term "trip" refers to the visit by the traveller (visitor) to that destination specifically (and not to other possible destinations on that travellers round trip).

2.41. At the national level, trips are measured differently depending on the form of tourism concerned. In the case of domestic and outbound tourism statistics, the term "trip" refers to all tourism activity engaged in from the moment the traveller (visitor) leaves his/her usual environment until he/she returns there. In the case of inbound tourism statistics, the term refers to the "travel of a visitor (see paragraph 2.35) from the time of arriving in a country (in a place) to the time of leaving" (*IRTS 2008, 2.30.*) and excludes any visits to other destinations (countries).

B.3.3. Tourism visit

2.42. A trip (from the perspective either of its point of origin or of the places visited) might be viewed as consisting of one or more visits to different places, regarded as different destinations, or as having a single (aggregate) destination. There might be as many visits as stays in the different places visited.

2.43. Details of visits to individual destinations within a country are usually collected by way of surveys at those destinations. Where a visitor has made a multi-destination trip, say for example, visiting three destinations (see Chapter 3, Section C.2.2.2), he/she could be

recorded in the numbers of people visiting each of those destinations. If the statistics of the numbers of visitors to the destinations were aggregated, they would show a total of three visits. However, from the national level, that person represents only one visit, or trip. Consequently, statistics on visits to destinations cannot be aggregated to provide statistics on numbers of visits, or trips, at the national level.

2.44. A particular case is when a single individual, as part of a single journey makes different "hits" to a country, other than that of his/her usual residence (regarded as "trips" from the perspective of inbound tourism statistics). This might happen when a yacht or cruise ship makes various calls within the same country as part of a single cruise (or round trip) (see paragraph 3.39). The question then is whether each of these calls should be counted separately or as a single visit by a single visitor. The answer will depend on which statistical unit is of interest: the individual taking the (round) trip; or the visit (arrival) itself. In the latter case, the person arriving is merely an attribute of the visit, unlinked to previous calls by the same cruise. This will be discussed further in paragraph 3.39 below.

2.45. Identifying tourism visits can be difficult in certain rare situations. For instance, a non-resident staying in a country for the purpose of employment by a resident entity (non-tourism trip) might also go to the beach for recreation or go sightseeing to a different place within that country on days off. Diplomats might travel for personal reasons within the country where they are stationed (*IRTS 2008, 2.45.*). Usually, this fact might not be statistically significant, but in some situations where diplomats make a significant portion of the population (for instance Brussels, Luxembourg, etc.), a correction will be necessary.

B.3.4. Travel party and travel group

2.46. Visitors, central to the observation of tourism, do not always travel alone. A travel party is defined in *IRTS 2008, 3.2 – 3.5.* as *visitors travelling together on a trip and whose expenditures are pooled*. A typical travel party includes members of a family travelling together, friends or other persons linked with each other in some way. All, most or even only part of a travel party's expenses – transportation, accommodation, food – are shared, so expenditures cannot be attributed individually to particular members of the travel party.

2.47. A travel party is not a household, in the sense given to it by statistics on households (National Accounts), as it is not a stable economic unit, but only an incidental one, that only lasts for the time of the trip. However, in many cases a travel party will comprise all members of a household, e.g. a couple or a family traveling together. In tourism statistics, tourism expenditure is assigned individually to each person on the trip, and not globally to the travel party, so that once the expenditure of the travel party is established, each member of the travel party is assigned the expenditure which corresponds to him/her, and it is this individual expenditure that will be taken into consideration in the estimations of total tourism expenditure.

2.48. For shared expenses, expenditure for each of the members of the travel party will therefore be estimated on an average basis, either as a simple average (the same for all products) or based on more complex formulae, depending on the products consumed. Such formulas might take into consideration the age structure of the travel party's membership, e.g. how many children and how many adults there are in the party (see paragraphs 4.33 – 4.40). These estimates are then added to the figures corresponding to individual expenditure (*IRTS 2008, 4.36.(i)* and *Box 4.2.*) so as to make up the expenditure corresponding to each of them.

2.49. For this reason, collecting information on the size of a travel party is important, as it has a direct influence on the average expenditure per capita per day of its members. It is also important for planning at destinations (for instance defining the sizes of hotel rooms).

2.50. It is also important to collect information on the composition of a travel party. This is particularly so in the case of families with children, which constitute a very special market, with specific interests and needs (baby sitters, activities for kids, specific types of supervision, etc.). Here again, average expenditure per capita per day will be influenced by the age profile as well as size of the travel party. (see paragraph 4.78 and *IRTS 2008, 3.2. to 3.5.*).

Box 2.12: When visitors are children: how to treat this in the sample design

There is no age restriction involved in the definition of "visitor". Consequently, children are treated in the statistics as visitors, if they meet the standard definition criteria. Children mostly tend to travel as members of a travel party, usually with adult members of their family. Some children do travel alone, but their numbers are not usually considered to be statistically relevant. As children mostly travel with adults (whether family or not) the characteristics of their trips are usually determined by the characteristics of the accompanying adults' trips.

The statistical designs of border surveys (for international visitors) and household surveys (for domestic visitors) are usually based on a sample of selected individuals. In household surveys, households are selected and then usually all persons of the household are selected, whereas in border surveys, usually all persons on board a plane, a car or a bus are selected.

Some countries use an age cut-off, so that, for example, only people over 16 years of age are interviewed and their corresponding information collected. In such cases, the grossing up procedure should take into account that only persons over the age cut-off should be included and tourism expenditure would only refer to this population only.

For household surveys, the reference population might be known by age-group (e.g. from a population census) so that grossing up might be easy. For border surveys, this is unlikely to be the case, so grossing up to the correct reference population would be a problem.

Grossing up the sample data (adult visitors only) to the total reference population (all adult and child visitors) would entail a bias in estimating total expenditure by visitors. Average expenditure by children is usually less than that of adults, and the average expenditure of persons travelling in parties is usually less than for persons not travelling in parties because accommodation is shared, transportation is undertaken in a single car, etc.

As a consequence, it is recommended not to exclude children from the sample. As they mostly travel in parties, the information on children might be collected with the help of an accompanying adult.

2.51. It is possible that a travel party may comprise members of different households. This can cause some complications in the case of collecting data on domestic and outbound tourism where household surveys are the recommended collection methodology. In these cases, usually the household is the selection unit, i.e. households are sampled. When a household is selected, then either an individual within the household is selected or all members of that household are selected for interviewing. Where a selected individual has taken a trip in a party which comprises a member of another household, then only the characteristics of the trip relating to the selected person should be obtained. Details relating to the member of the other household should not be obtained as that person belongs to another selection unit (i.e. another household) which would also have a probability of being selected in the sample. (Otherwise, if that household was selected, then details of that person's trip would be duplicated in the survey.) However, if expenditure is shared by travel party members who are

in different households, then this must be recorded to enable accurate average expenditure per visitor to be calculated. Luckily, it is likely that members of different households will usually have separate, rather than shared, expenditure.

Box 2.13: Country Experience – Expenditures per person in Austrian sample survey

In the Austrian sample surveys concerning domestic and outbound trips of Austrians aged 15 and older the expenditure questions (different from all other questions) are based on all accompanying household members in order to simplify them for the respondents; this underlies the presumption that most expenditures are made for the whole family. To be able to gross up this data, the expenditures have to be broken down per person. So the number of grownups and the number of children among the accompanying household members are also surveyed. To break down the expenditure, the assumption is made that the grownups share the expenditures of the children.

Source: *Statistics Austria*

2.52. In the case of travel parties, the main purpose of the trip should be the one that is **central** to the decision for the travel party as a unit to take the trip, that is, the purpose in the absence of which the party would not have taken the trip (see paragraph 2.61).

2.53. However this central purpose is defined, each individual member of the travel party, if asked, might indicate a different reason for going. Such information can be very valuable for use in marketing analysis. For instance, if a visitor comes to a place to attend a conference and is accompanied by his/her family, the main purpose for that travel party is "to attend a conference", even though the accompanying family members will not be attending the conference, having come along for other types of attractions.

2.54. Another type of tourism unit is the travel group, which consists of individual visitors or travel parties travelling together on a tour organized for them by a third party (usually, a specialized business). Examples include people travelling on the same package tour or youngsters travelling as a group, e.g., as part of the same organized summer camp. Each member of such groups shares expenses for a pre-established set of services, usually including transportation and accommodation, but maintains total individual control over other expenses. Each member's share of common expenses is fully defined and often equals the amount paid by each member to join the travel group. Not all package travel requires travellers to join a group: some packages, designed upon request, enable individuals to travel alone (or within travel parties).

2.55. The following criteria are recommended to identify a travel group or travel party:

- if there is (at least) one person in a group who does not pay for or during the trip the group is a "travel party" because some (or all) expenses are pooled.

- if all persons in the group pay an identifiable amount (not necessarily the same amount) the group is a "travel group".

For practical consideration countries should consider that – in the majority of cases – a travel party is composed of the members of a household (as identified through household surveys) travelling together. However, compiler should keep in mind that households per se do not travel.

Box 2.14: Hypothetical example – Travel group or travel party?

A group of 4 young adults travels together by car from Belgium to southern France. They take together decisions about what they do, where they go, etc. One of the 4 adults is the owner of the car. It is decided that the cost of fuel is shared amongst all four. In addition, the 3 adults without a car compensate the 4th for the use of the car during the trip (cost for eventual replacement). Although the 4 young adults seemingly "pool" their expenses each one pays a specific amount for and during the trip.

2.56. In common language the word "trip" can be used in association with either a visitor or a travel group or party. This is not the case in tourism statistics. A trip taken by a group or party of *n* persons is considered as *n* trips. The individuals concerned might be anyone: an adult, male or female, or a child[9]. Travel parties and travel groups are not usually observed directly. They are not considered as units of selection, and their distribution within the universe is not known. Belonging to a travel party or a travel group is an attribute of a visitor.

C. Characteristics of the main statistical units

C.1. Characteristics of tourism trips

2.57. The characteristics of tourism trips are the following (*IRTS 2008, 3.9.*):

- Main purpose
- Type of "tourism product"
- Duration
- Origin and destination
- Modes of transport
- Types of accommodation

2.58. For the purpose of analyzing expenditure, how a trip is organized (as part of a package tour, or not) is also a relevant characteristic and will be analysed in Chapter 4.

2.59. Countries might be interested in additional characteristics of tourism trips, e.g. when the trip took place (month or exact date) for the purpose of studying seasonality. *IRTS 2008* does not make any recommendations in this regards.

C.1.1. Main purpose

2.60. *IRTS 2008* defines the "main purpose" of a trip as "the purpose in the absence of which the trip would not have taken place". When considering tourism trips, this main purpose must be "for any (business, leisure or other personal) purpose other than to be employed by a resident entity in the country or place visited". The main purpose of visitors travelling within a travel group or travel party is discussed in Section B.3.4.

[9] Special attention should be given to how trips are measured (border survey or household survey), see also Chapter 2, Section D.2.1

2.61. For individuals travelling alone, each tourism trip has only one main purpose, although a visitor may also engage in secondary activities while travelling, distinct from this main purpose. Information on secondary activities can be collected if relevant for analytical purposes: a person on a business trip, for example, might also devote a couple of days to recreation.

2.62. The main purpose of a trip is closely linked with the main activities planned by a traveller during his/her stay and contributes importantly to the level and pattern of his/her expenditure. A person travelling mainly for business will usually stay in different types of hotels, offering different kinds of service, from those used by a family travelling for recreation, or to visit relatives or friends. Business travellers, for instance, will tend to look for hotels with "business centres", whereas families will be more interested in spaces for children's activities. From the standpoint of tourism policy design, business visitors will respond to different incentives and require attention to specific needs that have to be met accordingly.

2.63. As previously mentioned, the identification of visitors' secondary activities may be relevant for planning, promotion and other analytical purposes. It may be useful in particular to know how visitors are responding to a destination's diversification of activities and to strategies for motivating extended stays in the country, region or place visited.

2.64. Distinguishing the main purpose of a trip is not always straightforward, even for individuals travelling alone. The criterion must be the same: "the purpose in the absence of which the trip would not have been made". For example, a person visits a destination for two days to conduct business but then stays on for three days more, to sightsee. Based on our criterion, this is a Business trip, with the leisure activity – even if longer in duration and the object of greater expenditure – categorised as a secondary activity: "Holidays, leisure and recreation". The same principle applies to a spouse, for example, accompanying a person on a business trip. Even though the spouse goes for leisure only, that trip would not have been made in the absence of the business purpose. The purpose of the trip, therefore is "Business and professional" (with "Holidays, leisure and recreation" viewed as a secondary activity).

2.65. Trips whose main purpose is work, the traveller having entered into an employer-employee relationship with a resident entity in the place visited, e.g. seasonal workers to be employed in agriculture, construction, tourism services, to pick fruit, wait tables, or help build public works are not considered "tourism trips". Nor will such travellers be considered "visitors". Conversely, if the employer resides in the traveller's country of origin and if the employment is for work on a specific task for a specific business for a specified period of time, then the traveller will be considered a "visitor", to ensure consistency with other macroeconomic frameworks (particularly for the purpose of statistics on international trade in services). In that case, if sufficient in number, it will be important to create a separate category for such travellers. (*IRTS 2008, 2.35.* – *2.38.*).

2.66. On the other hand, a performer travelling to present a show, an invited lecturer or speaker or a technician sent to install or repair equipment will be considered visitors, even if paid in the country visited, because they are not in an employer/employee relationship in which a resident producer, as defined by *BPM6, 11.13*, manages and controls their work.

2.67. Regarding a trip's purpose, *IRTS 2008* identifies two main categories: personal purposes and business purposes. The personal purposes category is divided into eight subcategories, and countries are encouraged to develop additional subcategories, under either category if considered sufficiently important (*IRTS 2008, 3.19 and 3.20.*). Such additional subcategories need to be defined according to the same hierarchical structure, to permit aggregation and

international classification and comparisons. On the other hand, if the number of cases is insufficient to make an internationally defined category meaningful, it might be necessary to merge categories. In any case, the distinction between "business" and "personal" and the identification of trips for health and medical care as well as for education purposes should at least meet the requirements for the compilation of the supplementary travel data recommended for Balance of Payments statistics (*BPM6, 10.87*).

2.68. The classification of tourism trips by main purpose presented in *IRTS 2008, 3.14.* – *3.21.* elaborates on previous classifications, describes the possible content of each category and incorporates new categories that have been gaining in importance worldwide since the *1993 Recommendations on Tourism Statistics*.

2.69. The main categories are listed below. It should be noted that, in terms of incorporating this recommended classification into visitor surveys, the ordering and the nesting of the categories can have important influences on responses and should be carefully considered in the survey design. It is recommended that a first level question to determine "personal" versus "business and professional" purpose subsequently give way to second level questions that can determine further detail (such as the categories under "personal").

Classification of tourism trips according to main purpose

1. *Personal*
   - 1.1. Holidays, leisure and recreation
   - 1.2. Visiting friends and relatives
   - 1.3. Education and training
   - 1.4. Health and medical care
   - 1.5. Religion/pilgrimages
   - 1.6. Shopping
   - 1.7. Transit
   - 1.8. Other
2. *Business and professional*

Box 2.15: Modifying the proposed list of purposes

Countries might wish to simplify the proposed list, or alternatively to use a different, more detailed classification. This is possible, but the consequences should be weighed carefully.

When creating new categories or introducing recommended ones, countries should be aware that each category should correspond to a sufficient number of cases, so that the answers collected, usually through a sample, will produce statistically significant results.

For instance, some Caribbean Islands are promoting "honeymooning" as a new niche, and marketing departments have insisted on including it as a distinct category of purpose. Before doing so, it is important, however, to be sure that the number of observations in the sample will be sufficient for the development of a statistically sound set of data. Where the population concerned is expected to be small but still of interest for tourism policy design, it would be better to collect information on the characteristics of such persons directly, using a questionnaire, for instance, in accommodation establishments known to cater to this market segment.

Box 2.16: Spain: characteristics of tourism trips

Because of the elevated number of visitors to Spain, it is possible and statistically meaningful to introduce additional subdivisions within the leisure and business purpose categories:

- Leisure purposes:
  - Gastronomic tourism
  - Cultural tourism
  - Sports tourism
  - Countryside and beach (rest)
  - Other type of leisure
- Business purposes
  - Attending trade fairs, congresses and conventions
  - Seasonal work
  - Other work and business reasons

2.70. Classifying the main purpose of a trip might require some countries to adapt their existing classifications. For example, countries where a number of visitors arrive on cruise ships or yachts as part of a trip that also includes numerous visits to other places and countries should offer a specific category of purpose enabling such visitors to classify themselves as "taking a cruise or yachting", a subclass of "holidays, leisure and recreation", with no other purpose or specific destination, though this is not always the case, as illustrated in the following country experience.

Box 2.17: Country case – The Bahamas

The statement "cruises have no destination" is not applicable to The Bahamas because the destinations visited on a cruise enter into the criterion of selection of the cruise.

The Caribbean Tourism Organization (CTO) defines a cruise passenger as a "special kind of same day visitor who arrives in a cruise ship, generally stays under 24 hours and sleeps on board the ship even though the ship remains in port overnight or for several days." The Research and Statistics Department at The Bahamas Ministry of Tourism and Aviation defines cruise visitors as "persons visiting The Island of The Bahamas by cruise ship and using the cruise ship for accommodation." In 2008, the Cruise Lines International Association (CLIA) conducted the '2008 Cruise Market Profile Study' and interviewed 2,426 U.S. residents who were at least 25 years old and had a minimum household income of $40,000. Respondents in this study identified appealing places to cruise and indicated that the "Caribbean was the top cruise destination of choice by 43% of the respondents. Alaska, Bahamas, Hawaii and the Mediterranean/Greek Isles were also top choices.[...]Cruisers agreed (80%) that cruise vacations are a good way to sample destinations they may wish to visit again."

2.71. In countries where a key issue is the number of visitors receiving medical treatment, it should be mentioned that the purpose "health and medical care" relates to trips made specifically to receive medical attention. It does not matter if it is the visitor's own decision or a decision by a medical board, social insurance system, etc. This ensures consistency with supply-side statistics and in the design of regional policies to develop supply for such visitors.

2.72. In the case of international flows of travellers migration authorities frequently ask for the purpose of visits. In order to ensure international comparability the categories of "main purpose of visit" should correspond to the classification of tourism trips according to main purpose.

2.73. It should also be noted that it might not be possible to differentiate between people travelling for personal reasons on the one hand and for business reasons on the other when observing travellers at places of accommodation.

C.1.2. "Types of tourism products"

2.74. The notion of "types of tourism product" has been introduced mainly by travel agencies and packagers, as a marketing concept for gearing supply to specific markets interested in particular aspects of the places visited. Examples may be eco-tourism, green tourism, cultural tourism, city tourism, etc.

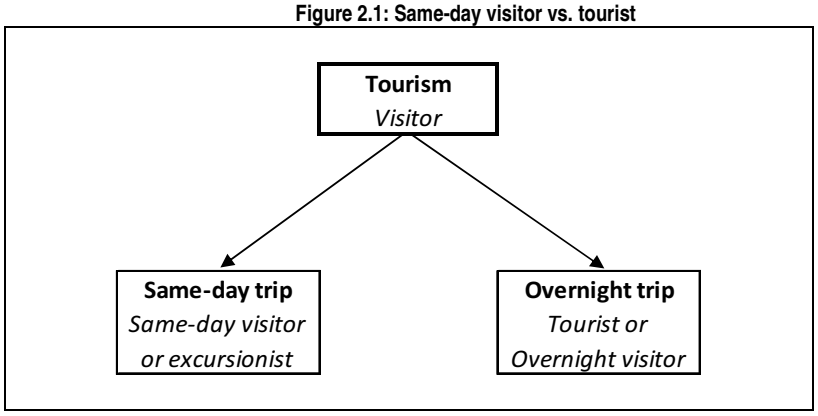
2.75. Though *IRTS 2008* mentions it as a relevant issue, for the time being, it makes no specific recommendation on this. It cannot be denied that there is a need to create some kind of parameters to segment and define the different types of tourism products, but future work still needs to shed light on how to go about this from the perspective of international statistics. Countries should carefully consider whether this characterization is meaningful for the analysis of their demand before introducing the "type of tourism product" concept within their classifications and questionnaires. Visitors who respond to surveys might not always have clear perceptions about it, especially those who arrange their own trip rather than purchase a package or those travelling to visit family and friends.

2.76. These "types of tourism products" should not be confused with the SNA concept of products and are not part of any associated codes or classification of goods and services, like the Central Product Classification (CPC) Version 2, Classification of individual consumption according to purpose (COICOP) or Harmonized Commodity Description and Coding System. "Types of tourism products" should also not be confused with "tourism characteristic products" (see Chapter 5) that are identified via COICO.

C.1.3. Duration

2.77. As discussed in more detail later, estimates of the "volume" of tourism are based on the number of visitors (trips), but also on the length of their stay, since longer stays exert more pressure on many elements of supply. Expenditure is also highly dependent on this variable. *IRTS 2008* recommends the separation of overnight stays (i.e. stays by "tourists") from shorter stays without overnights (i.e. visits by "excursionists"). The length of stay of "tourists" is measured in terms of number of nights.[10] The total stays of "excursionists", i.e. visitors who do not stay overnight are measured in number of days.

Figure 2.1: Same-day visitor vs. tourist



[10] Therefore tourists should be asked how many nights (not days!) they stayed in a place/country. However, it is often the case that only the day of arrival and day of departure of a tourist is known. In these cases it can usually be assumed that the number of nights equals the difference between the day of departure and day of arrival.

2.78. If an overnight stay by a visitor is involved, then he/she is considered a "tourist" irrespective of the form of accommodation used. This differs from the criterion used by many countries or organizations that only count overnight stays if spent in a formal resident place of accommodation (see the case of The Bahamas, where the CTO's definition of a cruise passenger is quoted).

2.79. There is also the question of how to treat a visitor's activities extending beyond midnight (e.g. while attending a football match, a show or a party outside his/her usual environment). It is recommended that such activities that do not involve finding a place to rest until the next morning should not be considered overnight stays. On the other hand, a night spent on a bench, on the beach, in a railway station or airport or some other place should be considered an overnight stay, even though no organized form of accommodation is provided.

2.80. *IRTS 2008* makes no specific recommendation regarding a classification of length of stay, since the categories include will depend on the observed (or expected) distribution of visitor stays by length. As a rule of thumb, no category should account for less than 5% of the total number of trips, to avoid difficulty in obtaining statistically valid observations from samples. Measuring inbound tourist stays lasting more than 91 nights might be a challenge, since migration authorities often do not accept tourists for stays of more than three months, except under specific conditions. Particularly long stays should be treated carefully as they have a substantial effect on average length of stay and on total tourism expenditure, in which, implicitly, each individual is weighted proportionally according to his/her duration of stay.

2.81. The duration of a trip must correspond to the actual duration of stay (when tourism happens), and not the authorized duration of stay. In the case of inbound tourism, this might generate discrepancies with a country's immigration statistics, when those are based on declarations by visitors upon arrival and not on the observation upon departure. This is a frequent situation when migration statistics do not record arrival and departure dates.

2.82. Duration of stay in the places visited is different from duration of absence from the usual environment, since movement between places is not instantaneous. (For example, a person travelling from, say, Europe to Australia – which takes roughly 24 hours by air, would show a length of absence from Europe as being two days longer than the recorded length of stay of the trip in Australia.) This has to be taken into consideration when comparing data on trips from a point of origin (outbound and domestic tourism) with data on trips to a destination (inbound tourism), i.e. when using mirror statistics.

2.83. For visitors using market accommodation, their average length of stay as measured in accommodation statistics might differ from that as measured by observing the visitors, who might use more than one accommodation provider (market or non-market)..

C.1.4. Origin and destination (and other places visited)

2.84. The "origin" of a tourism trip is defined as the visitor's usual place of residence.

IRTS 2008 defines the "*main destination*" of a tourism trip as the place visited that is central to the decision to take the trip (*IRTS 2008, 2.31*.). This definition is consistent with that of a trip's main purpose. *IRTS 2008* recommends that if the visitor can identify no such place, the main destination is defined as the place where most of the visitor's time was spent during the trip. If here again the visitor can identify no such place, then the main destination is defined as the place farthest from his/her place of usual residence. To each trip should correspond a main destination.

Nevertheless, various destinations might be visited during a trip. As a consequence, expenditures that might take place in other destinations/countries also visited on a trip, will be allocated to the "main destination".

2.85. As explained above, if relevant, a special category – "on a cruise" – could be created for cruises involving visits to different places and countries with no specific destination (see paragraph 2.70).

2.86. Matching origins with destinations can yield important information from a marketing perspective. It might be challenging, however, to generate and process statistically significant data collected through the use of surveys, particularly if the classification by destination of the universe is derived from administrative data, since immigration authorities do not always define destinations as indicated above.

2.87. Each trip's geographical origin might represent a useful explanatory variable for the cost of reaching a given place, and can be used to check the consistency of data on expenditure.

Box 2.18: Comparing origin and destination using administrative data in the origin and destination country.

South Africa examined the difficulty in determining the origin and destination country of international trips, comparing the data of South African visitors to New Zealand and vice-versa, using administrative records.

The use of mirror statistics is feasible and useful but also complex and time-consuming. Not all countries have detailed inbound data.

See: *Ubomba-Jaswa, Using Mirror Statistics in South Africa, 2010*

C.1.5. Modes of transport

2.88. This refers to the main mode of transport used on the trip, to reach the country or place visited. Since visitors usually combine different forms of transport, a precise definition is required (*IRTS 2008, 3.32.*). Since costs per unit of distance vary, the main mode of transport should usually be defined as that on which the most distance is travelled (and not that on which the expenditure is highest). For a more detailed analysis of transport expenditure it might be necessary to collect information on secondary modes of transport as well.

2.89. The mode of transport concept might be defined differently in some countries or territories. In the case of islands, for instance, it might be the one used to reach the island (by air or water), even if not the longest distance travelled, as arrival by car is clearly not acceptable or meaningful even if it corresponds to the longest distance travelled

2.90. Data on main mode of transport are useful from a marketing perspective and as an often relevant explanatory variable for average expenditure per day.

2.91. *IRTS 2008* proposes a detailed breakdown of possible modes of transport (*IRTS 2008, Figure 3.2.*). Countries should review and adapt it to their national situation. However, some modes may not be relevant (e.g. arrival by road in the case of island countries; by train in countries lacking international railway connections, or by boat in countries without sea or river borders).

C.1.6. Types of accommodation

2.92. Data on the different types of accommodation used on a tourism trip are useful for various reasons:

- The type of accommodation used is also a strong determinant of behaviour and expenditure on such additional items as food, transportation and recreation. It is particularly important to determine whether data on market accommodation services refer to accommodation only or also to food (breakfast, half board, full board) or other related services, as is the case in all-inclusive packages.

- Many countries tend to overlook the importance of staying with family and friends or in one's own vacation home as types of accommodation during a trip, and not only in the case of domestic tourism (see Chapter 1, Section B.2.3). The use of such accommodation will also strongly influence the overall level and structure of expenditure. During economic downturns these types of accommodation tend to see greater use, as a substitute for market accommodation.

- Identifying the different types of accommodation used during a trip, and the number of nights spent in each, provide valuable information for use in verifying and adjusting accommodation statistics, which countries often collect in parallel with their observation of visitors.

2.93. The classification of types of accommodation, a special topic of concern for countries, will be discussed in Chapter 5.

Box 2.19: Case Study: Non-rented accommodation in Austria

The results from estimation show the importance of non-rented accommodation in Austria. Approximately 75% of all arrivals and nights are spent in rented accommodation, but every fourth arrival stays in non-rented accommodation.
To gather information about non-residents who stay with friends and relatives in Austria, some questions were added to the quarterly sample surveys that traditionally only concerned domestic and outbound tourism. Since 2008 the respondents are – in addition to the traditional questions - also questioned about accommodation that was provided by them to non-resident friends and relatives (broken down by type of trip and country of origin). By grossing up the results the total number of arrivals and nights spent by non-residents with friends and relatives in Austria is calculated.

Source: *Ostertag-Sydler (Statistics Austria), Austrian experience in using mirror data in the field of tourism and travel statistics, 2010*

Box 2.20: Egypt Case

In Egypt, there are two main classifications of accommodation. Data are collected according to the below scheme:

1: Hotel accommodation

Place of Accommodation	(1) Tourist village	(2) Hotel	(3) Floating hotel
No. of Nights			
a. Hotel Rating	(1) 5 stars (2) 4 stars (3) 3 stars (4) others…		
b. Kind of Accommodation	(1) Full board (2) Half board (3)Bed and Breakfast (4) Sleep only		

2: Non-hotel accommodation

Place of Accommodation	**No. of Nights**
4. Medical center/hospital	
5. Friends or relatives	
6. Hired apartment	
7. Private (apartment, villa, house)	
8. Timeshare	
9. Camps, campsites, youth host	
10. Others (Please specify) ……..	
Total	

Source: *Ministry of Tourism of Egypt, Egypt's TSA Unit, Tourism Surveys 2012.*

C.2. Characteristics of visitors

2.94. Though not required for international comparison purposes, countries are encouraged to collect information on their visitors' personal characteristics, such as: age; gender; economic activity status; occupation; annual household, family or individual income; education; etc. (*IRTS 2008, 3.6 – 3.8.*). These data might help to identify different market segments: families travelling with small children, middle aged travellers, young travellers, retirees, high-income travellers, etc. Additionally, these characteristics might correlate with characteristics of trips, a fact of interest for the current estimation of tourism flows and expenditure.

2.95. Some countries restrict their description and analysis of visitors to those above a certain age, mostly because children cannot be expected to answer questionnaires on purpose of travel, expenditure etc[11]. Administrative counts of visitor flows (immigration data) treat children like any other traveller: they require and are sold air, train or bus tickets, food, shelter, etc. Children should therefore not be excluded as they are not excluded from household budget surveys, but they do require special treatment, see Section B.3.4.

2.96. The *IRTS 2008, 3.6.* offers a range of characteristics that can be observed but makes no specific recommendations for the use of information on visitor characteristics: each country should evaluate the relevance of some or all of these variables and in particular how such information might be used and what requirements it might place on statistical design and observation procedures (e.g. greater sample size if characteristics are to be cross-classified).

[11] EU member states have to comply with detailed requirements of EU regulations.

2.97. Personal characteristics considered meaningful should be taken into consideration during statistical design of the sample, particularly in the case of travel parties. The characteristics of each individual in a party should also be identified, as distinct from the actual (or self-designated) head or leader of the party, in order to avoid skewing the characteristics of visitors when expanding the sample taking only into consideration the characteristics of the leader.

2.98. Other characteristics crucial to the determination of different forms of tourism are a visitor's country of residence and place of usual residence within that country. These aspects will be discussed in following Section D.

D. Forms of tourism: inbound, domestic, outbound

2.99. Visitors may travel within their countries of residence or abroad. In doing so, they must cross political and administrative borders (except in the case of vacation homes). It is important to qualify tourism with respect to those borders in order to determine in which economy (or which place) the economic effects of tourism will fall. That is what the concept of forms of tourism is about (*IRTS 2008, 2.15. and 4.12 – 4.14.)*.

2.100. With reference to a trip's main destination, *IRTS 2008, 2.32.* describes these forms of tourism as follows:

"A **domestic trip** is one with a main destination within the country of residence of the visitor. An **inbound or outbound trip** is one with a main destination outside the country of residence of the visitor.

An **outbound tourism trip** might include visits to places within the country of residence in the same way as a domestic trip might include visits outside the country of residence of the visitor. For example, a person travelling abroad may have to first travel to a city from which his or her flight might depart. While in that city he or she may stay there for a few days. This component of the whole trip would be measured as a domestic visit.

An **inbound trip**, however, includes only visits within the country of reference".

2.101. Based on these characteristics, definitions for these terms are provided in *IRTS 2008, 2.39*.

2.102. It is of utmost importance, as previously explained (see paragraph 2.9 above), that international visitors be classified not according to their nationality but according to their country of residence.

2.103. In tabulating the information concerning the country of residence or country of destination of outbound visitors, consideration should be given to the difference between "country" and "territory", in particular when trying to define geographical groupings for the purpose of marketing policies (specific to the country and/or internationally comparable). For international travellers, use of the UNSD classification of *territories* is recommended. The information may pertain to *territories* rather than *countries* in the political sense. Travellers to or from the French or Dutch territories in the Caribbean, for instance, should be identified as travelling to or from the Caribbean rather than to or from Europe.

2.104. Countries should also be encouraged to develop their own territorial groupings based on geographical proximity and relative importance of visitor flows. Countries might wish to identify

in detail the flows of visitors/travellers coming from neighbouring countries and from the regions (or country groupings) to which they belong, then identify separately a few other countries from which the flows of visitors/travellers are important within a grouping by regions – and after that, group the remaining ones in major regional categories. For example, fifteen Central and Southern African countries are members of the Southern African Development Community, a body established to promote cooperation between the neighbouring countries. Many of those member countries would be interested in having statistics on arrivals specifically from other member countries, separately from statistics on arrivals from non-member countries.

2.105. It might be misleading to enumerate every country in the world in tabulating tourism statistics, as is often the case in migration statistics. In many cases, there will be countries for which the corresponding flows of travellers may not be significant. From a statistical perspective, year-to-year fluctuations in those very small numbers would be viewed as random. Pressure from users requesting country details that are not statistically meaningful – e.g. where the total population of reference is very low – should be resisted.

Chapter 3. Measuring flows and characteristics of tourism trips and visitors

This chapter is structured as follows. Section A offers a brief overview of the importance of measuring the flows of tourism trips and visitors. Section B is a review of the general measurement issues behind tourism flows. The remaining three Sections, C to E, provide an extensive discussion of how to collect data on inbound, domestic and outbound tourism, respectively. Inbound tourism is discussed with a special focus on tourism as an internationally traded service, and proposes a 2-phased approach to measure first the global flows and then the more in-depth characteristics of these flows. The discussion on domestic tourism (Section D) is centred on household surveys as the dominant information source and goes into some factors affecting statistical design and sampling. The section on outbound tourism, Section E, draws heavily on the previous two sections. Sections C to E each conclude with some proposed tables of results.

A. Introduction

3.1. Although the focus of the present *Compilation Guide* is the development of statistics on tourism, it should be remembered that these statistics need to be set up within the more general framework of each country's National Statistical System (NSS). The various organisations working together within the NSS bring important benefits to the quality, consistency and recognition of statistics in all fields.

3.2. Balance of Payments needs to measure "*expenditure on goods and services for own use or to give away acquired from an economy by non-residents during visits to that economy and conversely goods and services for own use or to give away acquired from other economies by residents during visits to other economies.*" (*BPM6, 10.86.*). Considering that measurement of this expenditure usually requires an estimation of international traveller flows and of travellers' average daily expenditure, countries need to measure the intensity of flows of all categories of short-term resident and non-resident travellers over the border, their stays and their main characteristics for the simple reason that expenditure correlates closely with these variables.

3.3. This chapter will cover the characterization of all types of visitors (of interest for tourism analysis) and the measurement of flows of international travellers (of interest for Balance of Payments). Chapter 4 will concentrate on the measurement of expenditure.

3.4. As noted in *IRTS 2008, 2.12.*, tourism is a subset of travel. Consequently, the measurement of (international) visitors requires that they be identified from within the total number of (international) travellers. Tourism trips have to be identified.[12] This link between tourism and travel explains why throughout this chapter both terms might be used, (*IRTS 2008, Figure 2.1*).

3.5. Countries should understand that the guidelines given here are of a general kind, and that each country should adopt those recommendations that best correspond to their situation, based on a thorough review of the particularities of their tourism flows. However, it is recommended that countries conform as much as possible with these guidelines to maximise consistency and international comparability.

[12] It is probably extremely costly and burdensome to identify all trips within (non-tourism trips) and outside of the usual environment (tourism trips). Some data on non-tourism trips, e.g. commuting behaviour, is certainly collected and serves other useful purpose than tourism analysis.

3.6. However, although most of the paragraphs are focussed on inbound tourism, domestic tourism is more important for most countries in terms of number of trips, expenditure and demand for tourism supply (e.g. accommodation, restaurants, transportation, etc.). Countries where this is the case, should therefore not give secondary priority to the measurement of domestic tourism variables, i.e. should not address them only after international tourism has been properly measured.

3.7. This chapter emphasizes inbound tourism, for two reasons: first, because of an agreement reached with the IMF on the need to promote strong coordination among countries in the measurement of travel and expenditure associated with inbound and outbound tourism in Balance of Payments statistics (*IRTS 2008, Chapter 8, Section B*); and second, because it is still the area where most country experiences exist and can be shared. Such experiences are, to a great extent, under the responsibility of National Tourism Administrations (NTAs).

3.8. Since National Statistical Offices (NSOs) are usually responsible for running general household surveys and income/expenditure surveys, UNWTO strongly recommends that in countries where the NTA has limited statistical experience, the NSO undertake the statistical design of such surveys that contain data relating to visitors.

B. Measurement issues and some general characteristics

3.9. It is important to underline that the terminology, and thus the measurement, associated with the demand side depends on the form of tourism (see paragraph 2.34). In particular, trips and visits (see Chapter 2, Section B.3), have different meanings for the different forms of tourism.

3.10. For inbound tourism (as for all inbound travel), what are usually observed are “trips”: movements of non-residents across international borders. From a tourism statistics’ perspective, there is only one notable exception: travel by persons having entered the country as non-visitors but then engaging in a secondary tourism activity, e.g. a person who arrives in the country to work for a resident business but takes a tourism trip while in the country or trips taken within the country for personal purposes by diplomats of foreign representations (see paragraph 2.45). If the observation takes simple count of border crossings, it is not possible to associate with an individual all other trips or visits he/she might have taken during the period of reference. And while the statistics might speak of “visitors”, what are actually observed are “arrivals” (or “tourism trips”) (see Chapter 2, Section B.3). Countries are encouraged to use precise and consistent terminology in all publications in disseminating tourism statistical data.

3.11. In the case of domestic tourism, if data are collected using a household survey, the trips that will be observed will be “round trips” making it possible to associate individuals with each of the (round) trips they take during the period of reference. In this case, a distinction will be made between a trip and the person taking the trip, and the characteristics will be unambiguously assigned to either of these observation units.

3.12. The same would apply to outbound tourism data when measured in a household survey. When measured at the border, however, only visits, fractions of outbound or domestic trips will be observable. Usually there is no time during border surveys to collect data on the person taking the trip. Although the distinction might be subtle, it should be borne in mind when comparing data drawn from different sources.

Box 3.1: Travel Survey of Residents of Canada – Estimation (weighting)

Travel Survey of Residents of Canada estimates are produced based on survey data to which weights are applied, making it possible to inflate these data to agree with the Canadian non-institutionalized population 18 years and older. The weights calculated to produce estimates are person, trip and person-trip weights.

The starting point in creating the person weights is the Labour Force Survey sub-weight. The person weight is then adjusted to reflect i) the subsampling of rotation groups on the Labour Force Survey, ii) subsampling of people (18+) within a household, iii) non-response and iv) calibration to known control totals (age/sex groups, census metropolitan area totals). Person records from the second month of collection are also treated for recall bias.

From the person weight, the person-trip weight is derived by adjusting for i) identical trips, ii) the ratio of declared to reported trips, iii) reported trips missing essential data, and iv) trip-level nonresponse. Person-trip weights are also treated for outliers, and records from the second month of collection are adjusted for recall bias. These weights are used to estimate trip volume.

Finally, the trip weight is derived by dividing the person-trip weight by the number of adults (18 and over) in the household who accompanied the respondent on the trip. Trip weights are used to estimate expenditures.

Source: *Statistics Canada, 2013*

B.1. Objectives

3.13. For **inbound/outbound tourism**, guidance will be provided on:

- establishing the universe of non-residents (international travellers) on an inbound trip and of residents returning from outbound visits or trips for period of reference[13];
- identifying, within these universes, those travellers who are visitors and those who are non-visitors; and
- establishing the main characteristics of international visitors' trips in terms of:
  - duration;
  - main purpose;
  - modes of transport;
  - types of accommodation used; and
  - other characteristics (either of the visit/trip or of the international visitor)

3.14. In the case of international tourism, the main sources of information will be:

a. administrative records (border control, reports by airports and public transportation operators – bus, airlines, railways);

b. physical counts of flows; as well as

c. special surveys designed to collect supplementary information, at or near the border, at tourism attractions, and at accommodation establishments.

[13] Again, we speak here of individuals but we refer to trips: the same person taking various trips in the period of reference will be counted as various visitors (or travellers for BoP).

3.15. It is worth emphasising that any country setting out to develop a system of data collection on international tourism should first identify all available relevant administrative records. (Indeed, even countries with well-developed data collection systems should ensure that they have identified and examined such sources for possibly providing supplementary data.) The main reason for identifying such data is because it is data that is already being collected and thus does not incur any additional resources. This is particularly important for countries without an existing well-developed System of Tourism Statistics (STS) which are usually those with the most limited available resources. Also setting up a new survey without investigating what is already available through administrative sources could lead to duplication where the survey data is already available.

3.16. For **domestic tourism**, guidance will be provided for measurements to:

- identify out of the total population those residents having travelled within the country one or more times during the reference period;
- identify domestic tourism trips from other domestic trips, including outbound trips and outbound visits as part of domestic trips;
- identify tourism trips and characterize them according to:
  - duration;
  - main purpose;
  - modes of transport;
  - types of accommodation used; and
  - other characteristics

3.17. In the case of domestic tourism, information will be obtained mainly through:

a. surveying individuals selected directly (mostly likely through telephone interviews);

b. using household surveys either as modules attached to more general multipurpose household surveys or as specific surveys (the statistical sample will be derived from the most recent population census or any other updated registers of households or persons); and

c. as in the case of inbound tourism, surveys at accommodation establishments and at tourism attractions might also be used but will likely observe legs/fractions of a tourism trip (rather than an entire round trip).

B.2. Frequency of measurement

3.18. Many countries present most of their tourism statistics on a yearly basis. However, this is not sufficient for policy making or Balance of Payments purposes in particular, which should generally be compiled at least once per quarter[14]. In most countries, tourism, and particularly international tourism, is subject to seasonal variations associated with climate (in the country of origin and/or of destination), religious celebrations, holiday seasons, or other factors that affect different markets of origin and destination with varying degrees of intensity. These fluctuations should be measured as they are crucial for understanding tourism flows and designing specific policies.

[14] IMF recommends the dissemination of annual data within two quarters after the end of the reference year. However, quarterly data are strongly encouraged, within two quarters after the end of the reference quarter. (*IMF, The General Data Dissemination System 2013*)

Box 3.2: Country experience – Austria: measuring seasonality in tourism statistics

The broad aim when analyzing time series data is the **recognition of significant changes** in the direction and level of economic activity. In the field of tourism statistics many countries have a recurring seasonal pattern in their time series that obscures the underlying behaviour of the series. Indeed, "[…] seasons exert an unquestionable influence on economic and social activity."

The presentation linked below is intended to **improve the interpretation of tourism related figures** by explaining the **concept of time series adjustment** and answering the following three questions:

(1) **Why** is adjustment necessary?
(2) **What** do the adjusted results tell us?
(3) **How** can the data be adjusted?

Source: *Statistics Austria, Laimer and Ostertag, Measuring Seasonality in Tourism Statistics, 2009*

3.19. The pattern of seasonality should be analysed for each of the three forms of tourism. For policy purposes this is a significant issue. For example, to make decisions regarding the building of accommodation facilities (or other tourism facilities), it is not sufficient to know the total number of arrivals and the average length of visitor stays during the year. It is also important to know how this demand is spread over time (weeks, months, year) to establish whether the supply of rooms (and other tourism facilities) is sufficient at all times, or if, for instance, new rooms need to be built (or other solutions promoted, such as renting accommodation space from other types of providers) to respond to temporary peaks in demand associated with markedly high seasons.

3.20. In cases in which the basic information necessary to measure international tourism flows is collected through administrative procedures (basically immigration data, data from carriers, ports, airports, etc.), observation is permanently on-going. However, data might not be processed or turned over to tourism administrations in a constant flow. It is quite often difficult for NTAs to get timely, up-to-date information on a more or less continuous basis, especially where immigration processes are not totally computerized or centralized. In such cases, NTAs should focus their efforts on collecting such information at least every quarter. The information should also be provided in a way that allows cross-classification with information on different variables collected simultaneously with the basic count (i.e. country of residence, nationality, length of stay, purpose of visit). In general, NTAs (or NSOs if in charge of producing the information) should receive the microdata (with personal identification of individual travellers erased) from the original data source in the form of a user-friendly electronic database or files.

3.21. If information has to be collected through a sample (e.g. household surveys of residents for domestic and outbound tourism and border surveys for international tourism), the actual frequency of observation will depend on the assumed seasonal pattern and on overall cost. A higher frequency observation does not necessarily increase costs. If the aim is to get, for example, 120,000 observations, it may be less costly to run the survey continuously through the year, getting 10,000 observations per month with a small team of interviewers who can be kept on throughout the year, as opposed to getting 120,000 observations in the summer, requiring a big team to work for a few months.

3.22. It is important to recognize, however, that the number of visitors or trips is the basic key variable for the entire system. Ensuring that the data collected is sufficient, accurate and reliable will require serious attention. In the case of domestic tourism observed through individual or household surveys, a longer period of reference will permit more observations but will also raise quality issues, since memories tend to fade (see Section D.2.2.2). A shorter

period of reference, on the other hand, will require more financial and technical resources, because more interviews will be required to gather data on a given number of trips (i.e. there are fewer people who have taken a trip during a shorter period of reference).

C. Inbound tourism

3.23. As previously mentioned, the *IRTS 2008* focuses on tourism statistics as they relate to other conceptual frameworks, such as Balance of Payments and National Accounts. In this section, the focus will be on tourism as an internationally traded service. The issues entailed in measuring it are therefore covered in the compilation guides for the *BPM6* and the Manual on Statistics in International Trade in Services.

3.24. The measurement of inbound tourism has its peculiar challenges. For example, where and when should the data be collected? Clearly, while some data relating to the *visitor* can be collected on arrival in the country, very little data can be collected on the *visit*, as this has not yet taken place. Similarly, it is not satisfactory to collect the data during the visitor's trip as this is not yet completed. This leads to the solution of collecting the data when the visitor is departing the country. Most countries have a relatively small number of immigration/border posts through which visitors enter and depart, providing useful survey points.

3.25. Inbound tourism statistics are usually collected in two phases. This reflects the structure of data collection at border posts. Phase one involves the use of the administrative data collected by the border protection authorities. This data identifies all travellers – both visitors and non-visitors – although in some countries very frequent border crossers, e.g. people crossing the border on a daily basis for work purposes, may not be recorded. Usually a limited amount of data is collected. What is collected is required for security, rather than tourism, purposes and so the data does not provide all that required by tourism bodies. However, border protection authorities are increasingly working with NTAs to include more information in their data collection which is purely for tourism purposes (e.g. on the Arrival/Departure Cards). This is happening as a result of border agencies increasingly becoming aware of the importance of tourism to their economy.

3.26. It is useful if the data collected in this phase includes such information as country of residence, main purpose of the trip and the mode of transport used. This information is very useful for phase two. This phase is essential as not all the data required for tourism purposes can be collected in phase one. Phase two usually involves a sample survey of visitors as they depart the country. This phase can then collect data such as the demographics of the visitors, activities while in the country, places visited, how much spent while in the country, etc. To design such a survey it is very useful to get the data mentioned above from phase one to provide a basis for stratifying the sample and making it more efficient and representative.

3.27. This two phase approach reflects some of the complexities involved in the collection of good quality inbound tourism statistics. An important issue is the question of at what stage of the visit and at what location should the data be collected.

3.28. Beyond NTAs and NSOs, Central Banks, who are usually in charge of compiling and providing Balance of Payments data, might also be interested in participating in decisions concerning the frequency with which international tourism flows and expenditure by inbound and outbound visitors are measured, and they could be valuable partners in the development of tourism statistics.

C.1. Phase one: Measuring the total number of international travellers and visitors

3.29. At what point in time should a traveller entering a country be counted – upon entry or exit? Or both? For tourism statistics the requirements of immigration laws usually ensure the availability of count data at the time of entry and of exit of the country. The question of whether to measure at entry or exit does affect the kind of information that can be obtained (paragraph 3.24). It is essential to be aware of the methodological issue arising when assigning characteristics of trips or visitors to a certain period of reference (see Section C.1.5).

3.30. The general practice is to count inbound travellers at entry, that is, when the trip begins, but some of their characteristics, mostly related to the stay itself and expenditure during the trip, can usually only be accurately collected when the stay ends, i.e. upon departure (see paragraph 3.65). These characteristics might also be collected, though less frequently, during the trip (see Section C.1.6.2) or after the trip (see Box 3.19). Countries should clearly be aware when this information, e.g. characteristics of a trip is collected and to which population it refers: "arrivals" or "departures". Reliable information on expenditure can only be obtained upon departure or after the trip. If, however, a country would like to obtain expenditure information on arrival figures it needs to work with certain assumption to calculate these data.

3.31. Similarly, outbound travellers should be counted at departure, that is, when the trip begins, but some of their characteristics, mostly related to the stay itself, can usually only be accurately collected at, or after, return, that is, upon arrival or later.

3.32. As part of their border control procedures, some countries measure both arrivals and departures of non-nationals[15] and reconcile the flows over a given period of time using matching procedures. These matched records are those used for tourism statistics to measure international tourism flows. These often consist of a form divisible in two pieces, requiring the second to be turned in upon departure. Computerized systems with electronic passport reading upon both arrival and departure are also used. However, it should be recognised that these border control procedures are not designed primarily for tourism purposes. Rather, they are usually required for specific immigration controls purpose as a means to identify illegal immigrants who overstay their authorized length of stay. With a regular and efficient systematization process in place, the use of entry/departure (E/D) cards in such countries to identify the visitor's length of stay, obtained by checking dates of entry and departure, should in principle provide the best possible estimate. The drawback is that the final corrected data is only available after all authorized tourists for a period have left.

3.33. Observation of the flows of international visitors and other international travellers inevitably requires the cooperation of various entities and institutions. These usually include immigration authorities, entities responsible for road border traffic, state security forces and authorities responsible for the administration of ports, cruise terminals, airports, land terminals, and passenger traffic using various other means of access to the country. All of these should provide support in the design of the observation procedure and act as sources of information to be used as checks and controls for the final data.

[15] Since border control procedures apply also to nationals the same source can be used to obtain data on outbound tourism (see Section E) and what follows applies to outbound tourism by analogy. However, the data should be based on country of residence rather than on country of nationality.

3.34. Cooperation may also be requested from the private sector, and in particular passenger transport companies (land, air and water). The cooperation of different specialized organizations and bodies might also be required for particular subsets of visitors (for instance those for whom the main purpose of a trip is "education and training" or "health and medical care").

3.35. In the case of foreign students enrolled in national education programmes, or of residents enrolled in such programmes in foreign countries, it might be necessary to elicit cooperation from such institutions as the Ministry of Education, the Ministry of Foreign Affairs, or the boards of universities with established programmes for foreign students or exchange programmes with other academic centres abroad (the European Erasmus programme, for instance).

3.36. The completeness and quality of arrival data are therefore closely linked to efficient inter-agency cooperation. Chapter 1, Section D discusses various ways to achieve it.

Box 3.3: Statistics Canada's International Travel Survey Program: Frontier counts

The frontier count of border crossings is done using the information collected about the entrants into Canada recorded on forms by Canada Border Services Agency (CBSA) officials. Each port of entry sends in its administrative data according to an understanding signed by Statistics Canada and CBSA. At all ports of entry across Canada, a count is done to determine the number of travellers by selected categories, by type of transportation, as well as the number of vehicles (cars, trucks, motorcycles, snowmobiles and bicycles) in the case of highway and ferry points.

The information collected in the 18 largest international airports is recorded on Custom Declaration cards (E-311). The information about the number of travellers, country of residence and the type of entry is used to estimate the frontier counts by type of travellers and airport. The data capture is done on a sample basis or on a census basis, depending on the travellers' type and the size of the airport. For the other airports, administrative data recorded on E-63 forms, which correspond to a census, are obtained to produce estimates. The E-63 forms collect information on the number of passengers and crew members of commercial and private crafts entering Canada.

CANPASS, a telephone reporting system, registers the number of travellers entering Canada by private plane or boat. The system also allows, in certain ports of entry, the counts of pre-authorized travellers entering by cars that own a special permit without having to interact with a CBSA agent. Estimates are produced to determine the number of travellers for each car registered with CANPASS.

For the other land ports of entry, the information is collected on a census basis. The counts are recorded in different ways, either on E-62 Entry Tallies, E-62B for bus, E-62T for trucks or by the Integrated Primary Inspection Line (IPIL) System. The number of travellers, country of residence, transportation mode and length of stay are obtained from these forms and are used for the estimation of frontier counts.

Source: *Statistics Canada*

C.1.1. Typology of the different modes of transport used to arrive in or depart from a country

3.37. Countries need to identify with precision the different modes of transport used to arrive in or depart from a country and their intensity of use, since each mode will require a different observation methodology for the measurement of inbound traveller and visitor flows (*IRTS 2008, 3.32 – 3.34.*).

3.38. The following typology has been established:

C.1.1.1 Air

Air transport may consist of the following modalities:

- *Public transport* operated on a regular basis or through charter flights operated by regular airlines or specific charter operators. These usually operate at a relatively small number of (international) airports, and their immigration procedures are usually well under control.
- *Private transport* might be provided by specific for-hire operators, usually serving businesses. Businesses and some individuals might also own their own aircraft. In some countries, private and commercial aircraft operate out of the same airports; in others, all or some private planes operate from different airports, where immigration procedures might be more ad hoc.

In the case of air transport, there is usually an established control, perhaps with some exceptions, as in the case of movements within zones which have abolished their internal borders (the case of European countries belonging to the Schengen Zone).

Arriving passengers might be in transit on an international journey, either as a stop on a continuing flight or a change of planes or even airports. *IRTS 2008, 2.61* defines and discusses the treatment of such passengers (*transit passengers*). Only passengers entering the legal and economic territory should be counted as visitors.

C.1.1.2 Land

The modes of transport used to cross land borders include the following:

- *Railways*. Operators might be from one of the two countries involved or be managed as a multi-territorial enterprise. Immigration controls are often conducted on board the trains.
- *Other public transport by land*. Public transport by land may take different forms: buses, taxis, mototaxis, etc. Bus transport is usually provided by well-organized businesses, and authorized operators might be numerous. Taxis and mototaxis are often operated on a more independent or informal basis with little or no organization. Some operators are engaged in long-haul transport, with formal organizations; others (sometimes the most important in terms of numbers of persons transported) operate locally, as within a zone of free movements, and are subject to few if any controls.
- *Private transport by land*. Land borders can also be crossed by private cars (owned or rented) by freight vehicles that carry passengers as well as crew[16] and by such other vehicle as bicycles, motorcycles or animal drawn carts, which often correspond to travellers within their usual environments routinely crossing the border, mainly engaged in shuttle trade or other personal activities.
- *Pedestrians*. People living/working close to a border point might simply walk across it. Nomads might also fall in this category.

[16] Remember that crew are not considered as visitors.

Flows at land borders are undoubtedly the most difficult ones to measure, and the degree to which they are controlled can vary from country to country and from post to post: some might control all border crossers, others might not control any (Schengen-type borders), with a wide range of intermediate situations.

C.1.1.3 Sea and river

Public and private modes of transport are also used to cross borders by water:

- *Public passenger transport, including ferries and cruises,* is usually provided by established businesses, and boats arrive at organized moorings; their control by immigration and port authorities is usually strictly organized, with some exceptions.
- *Private passenger transport* (including yachts, sailboats, canoes, etc.) is often provided more informally. Boats are usually required to call at authorized moorings only and report to the local Port Authority (but do not always do so).
- *Freight ships,* though with less and less frequency, might also carry passengers, who should usually be counted as visitors, as well as crew, who are not counted as visitors as they are deemed to be within their usual environment.

Landings can be controlled more easily if they occur at organized ports. Otherwise, the situation is very much similar to that of land border crossings.

C.1.2. Complexity in the measurement of flows

3.39. The following examples illustrate the need for compilers to develop appropriate observation methods:

- **Countries belonging to a zone within which controls for all movements have been abolished**

  The typical case here is that of European countries belonging to the Schengen Zone. Controls have been abolished for all travellers within the Zone, remaining in place only at the Zone's borders with the rest of the world. Specific statistical procedures, automatic counts in most cases, need to be developed, coupled or not with survey procedures, since no administrative procedures are in place (see paragraph 3.89 and Box 3.4).

- **Countries with special land border zones though with border controls usually in place in other non-land borders (air):**

  In many countries special land border zones implicitly allow the free movement of persons, with little or no control or counting by immigration authorities for populations living on either side of the border. In some but not all cases, persons exempt from control need to hold a special permit. All such flows (whether tourism or not) and their corresponding expenditures should theoretically be taken into consideration when estimating the "travel" item for Balance of Payments purposes. Most such persons are taking trips within their usual environment, and should not be included in tourism statistics. For analytical purposes, the measurement of travellers that are not visitors might also be of interest to National and Regional Tourism Administrations. On the

other hand, if too frequent (i.e. the same persons moving across a border several times a day), the numbers for such movements tend to lack significance. Countries should lump such movements together as a unique count of persons.

- **Movements of persons by land between two non-contiguous parts of the national territory:**

Going from one part of the territory to another (a domestic trip) in certain cases involves transiting through the territory of another country – as happens for Oman, the Russian Federation (Kaliningrad), Malaysia, the United States (Alaska), etc.

Based on the established rules, as the origin and destination of the trip are both part of the same economic territory, such a trip undertaken by a resident is considered a domestic trip, a leg (fraction) of which is considered an outbound trip (for the purpose of transit). From the standpoint of the country of transit, on the other hand, the same leg of the trip should be considered an inbound trip (also for the purpose of transit). As discussed in Chapter 4, expenditure by a resident of Country A during transit through Country B falls under outbound tourism consumption (from the perspective of Country A) as long as it takes the form of a resident-to-non-resident transaction.

- **Cruises**

Cruises present a particular situation. Cruise ships, first of all, are usually enormous vessels that need to be received at special moorings, where passengers can disembark safely and the ship can supply itself (water, electric power, food, easy access to fuelling, other bunker, etc.). This makes it easy to control the movement of passengers. Additionally, cruise passengers require specific treatment: arriving passengers might stay on board or disembark to visit. They disembark also when finishing their cruise or in order to embark later on another cruise ship (hop on, hop off system). Passengers from the country visited, or from other countries, might be embarking at the stop in question either to initiate (or hop on to) their cruise. For the purpose of tourism statistics, each of these situations should be identified and given specific treatment.

Box 3.4: The case of passengers on board cruise ships

For the purposes of tourism analysis, cruise passengers should be treated as follows:

- All passengers on board a cruise ship should be considered inbound visitors if no further information is available. If additional information is made available, e.g. through disembarking passengers, resident and non-resident visitors can be identified.
- *Crew members* for public modes of transport, regular or irregular, should be considered as acting within their usual environment and thus excluded from the visitors' category. Crew members for private modes of transport (corporate jets, yachts, etc.) are considered visitors.
- Some ports have many travellers disembarking from cruise ships before departing by air, or embarking on cruise ships after arriving by air. Some countries (e.g. in the Caribbean) might have developed special arrangements for such connections with their immigration authorities to exempt these travellers from regular immigration and customs procedures. They should be given the same treatment, however, as other non-resident passengers changing modes of transport in the country of reference and should be counted as visitors (usually excursionists if they do not stay overnight).

- **Case of international cruises calling at different ports in the same country:** the difficulty in this case is that if the ship stays in continental waters it is deemed to be in the country's economic territory, whereas once it leaves the continental waters it is deemed to have left that territory. In the first case, clearly arrival at the different ports would be considered as part of a single trip. However, in theory in the second case the ship (and passengers) have left the country (territory) before coming back to it. However, for practical and common sense reasons it is recommended that both cases be treated in tourism statistics as single trip. (If data are based on interviewing passengers on shore, it is unlikely that they would know whether they had left continental waters or not. Also, from the point of view of measuring visitors, it is somewhat academic whether the ship crossed a line between continental and international waters or not). This treatment is akin to treating a normal inbound visitor who visits a number of local destinations in the destination country as taking one trip to the country, but making a number of visits within the country. However, in the case where a cruise ship calls at a port in country A, then visits a port in country B, then travels back to another port in country A, this should be treated as two separate trips to country A.
- **Case of international cruises passing through waterways or by the coastline of a country:** passengers on cruise ships that do not call a port or stay in waterways, e.g. the Suez canal, shall not be considered visitors to the country of reference. Although they enter the legal and economic territory there is no "stay" involved and hence no "tourism visit" (*IRTS 2008, 2.33.*).

C.1.3. Main sources for the measurement of global flows

3.40. The main sources available for the observation and measurement of international traveller flows, are the following:

- *Official administrative sources*, including immigration records based, or not, on Entry/Departure cards (E/D), manifests (sea and river) and Advanced Passenger Information (mainly air).

  Data provided by such administrative sources are produced on a continuous basis and are usually aggregated monthly.

- *Complementary sources*: Airlines, bus companies, ferries, etc. for information on passengers transported, embarking or disembarking, arriving and departing passengers at airports, manual or automatic counts at the borders (land borders), counts at toll booths in the vicinity of the border, etc.

  Some of these sources are not publicly accessible. If published, their frequency might not always be monthly.

- *Specific sample survey sources*. In countries where no such administrative sources exist, or where the data provided is too global to be of much use, sample survey sources are the only possible alternative for estimating the universe of arrivals by non-resident travellers and departure by resident travellers. In some countries where administrative data is available, sample surveys are conducted - phase 2 (see Section C.1.4.) to provide additional information on the visitors/trips which are not available through the administrative source.

Mirror data, mainly from neighbouring countries (inbound data derived from outbound data gathered by partner countries) may serve as a source, although the differences between the definitions of inbound and outbound trips should be kept in mind (*IRTS 2008, 2.39.*). For example, in the case where an outbound visitor is visiting more than one country on their trip, possible only the main destination country is recorded in the departure statistics.

3.41. Before moving to the description of official and complementary administrative sources, it is worthwhile looking at the following diagram, which illustrates the complexity of the process required to create the universe of international traveller arrivals, see UNWTO (2005).

Figure 3.1: a) Guidelines for the creation of non-resident visitors statistical universe

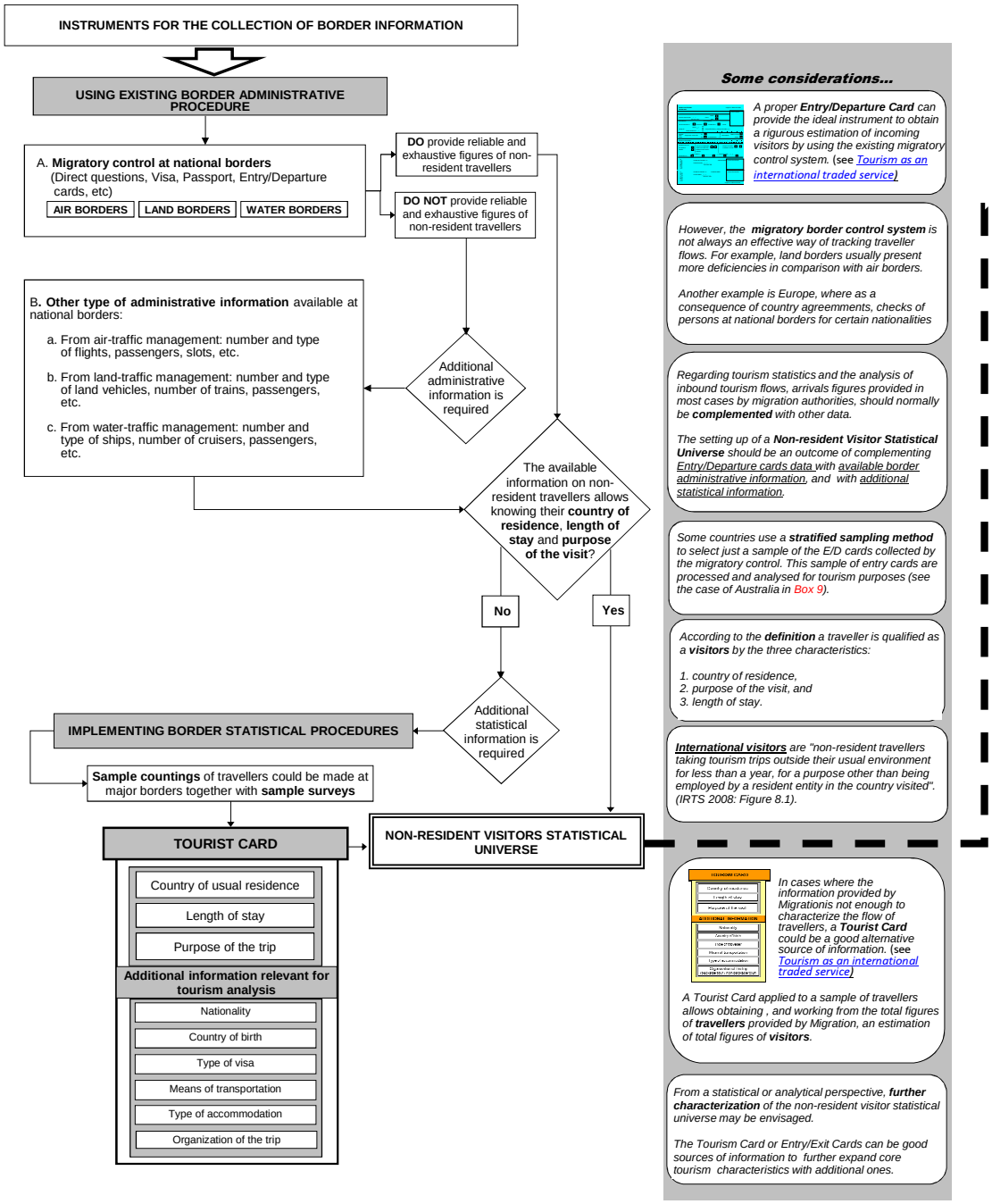
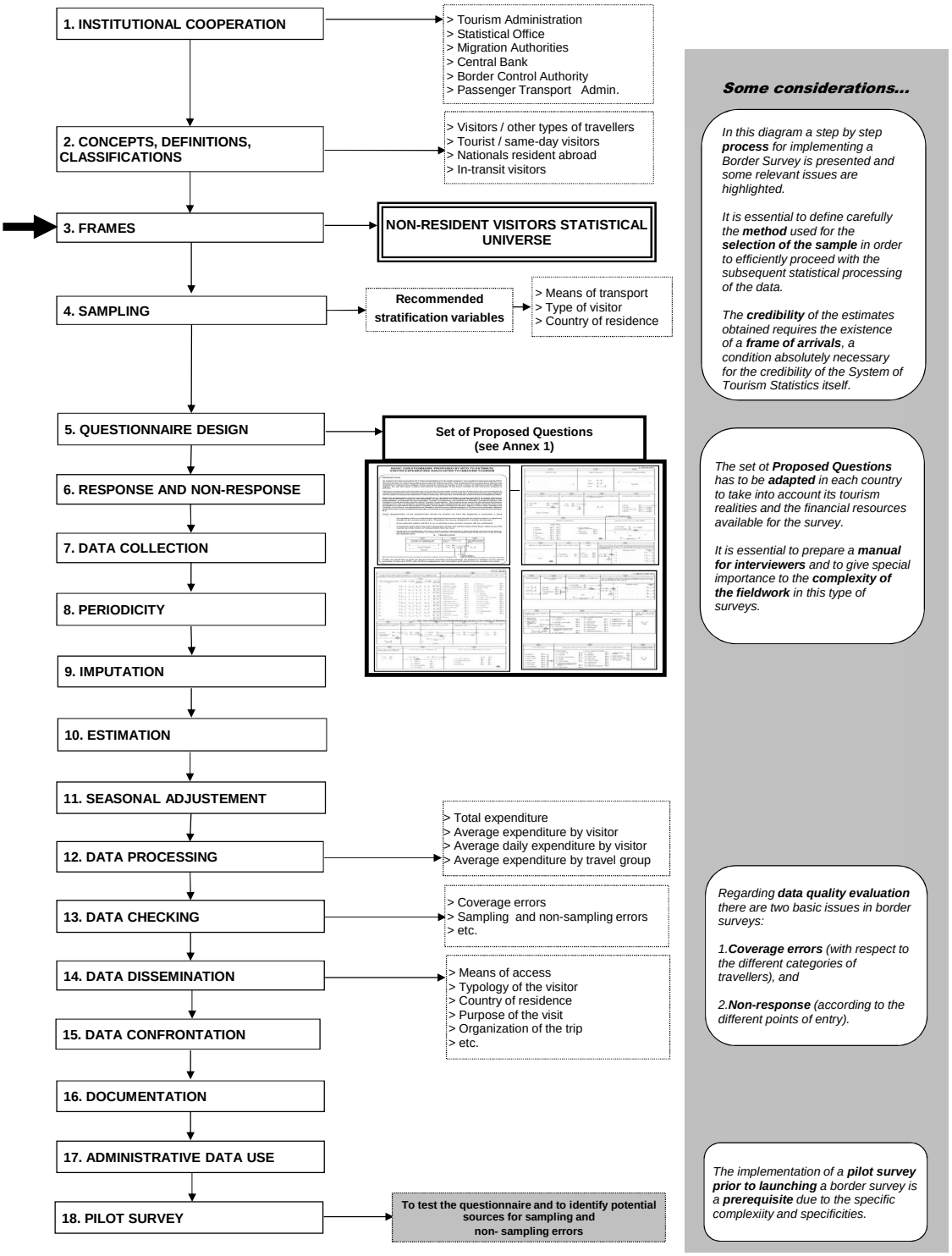


Figure 3.1: b) Guidelines for implementing a border survey



C.1.3.1 Official administrative sources

3.42. The three main official information sources used to measure inbound tourism flows – border controls, manifests collected by port authorities, and Advanced Passenger Information – are reviewed below.[17]

Border controls

3.43. As a result of the current activity of border control authorities, in most countries reports are generated on all individuals crossing borders, whether nationals or non-nationals, residents or non-residents. The exceptions are, as noted earlier, regional groupings such as the European Union countries and countries where frequent travellers (e.g. workers crossing a border on a daily basis) are not recorded. However, where they exist, these individual reports can be extremely important a basis for the measurement of inbound visitor and traveller flows.

3.44. Nevertheless, before using these reports as a basic source of information, in some or all cases of border crossings, it is recommended to have an overall review that should focus on and clarify some important issues. For instance:

- While not all border crossings need to be observed using the same instrument, *the geographical coverage of such operations* does need to be established. Which border crossing points and what types of border crossing are covered by border control operations? Does this control apply to air passengers only, or also other types of arrival (by sea, by land, by river, etc.)? This issue is particularly relevant for countries with extensive land borders or borders delimited by rivers, where geography makes crossing the border easy or where border controls are absent at some crossings due, perhaps, to their isolated location. Border control authorities usually will have an estimate of what is beyond their present control procedure, but this estimation might need to be permanently monitored to detect changes in behaviour over time.
- *Which persons are covered?* Are there specific conditions that exclude some persons from border controls? What is the status of refugees, border workers, etc.? In many countries, nationals are often exempted from border controls or detailed reporting requirements (and from completing an E/D card where such cards exist). For the purposes of analyzing tourism, however, nationals and non-nationals who are also residents should be excluded from the flow of inbound visitors to be measured, while non-resident nationals should be included. Frequent border crossers might have special permits, might be excluded from the controls altogether, or might be covered by a global figure. Such travellers would not be included as visitors because they are frequent border crossers. Finally, certain types of border crossing might be subject to less cumbersome procedures (for instance at private airports, or at land borders for nationals of the border countries).
- *The temporal coverage of the flows*. Are the controls of uniform intensity irrespective of the day or hour of day? If not, the scope of coverage for less stringent controls should be established and periodically updated.
- *The actual content of the data collected.* This pertains to the form of the data base and access for tourism analysts to detailed micro-data, to permit debugging, correction of

[17] For further information see also UNWTO *"Tourism as an international traded service"*, Section 2.B, "Measuring the number of travellers at national borders and deriving tourism statistics: National practices.

invalid codes, etc. In general, countries should not expect border control operations to provide all the information needed to measure traveller and visitor flows, and to observe all needed variables. This issue has to be further investigated, particularly in those countries which use only this source and do not investigate the existence elsewhere of other information (such as, country of residence) which is needed to measure tourism. In the best of cases, the data provided will be sufficient to frame a border survey (see Section C.1.6.1) covering characteristics of interest. Additionally, not all controls in a given country will be the same at all border points; nor will the questions asked (questions at land borders, for instance, might be kept to a basic minimum, because of the time constraint).

- *Quality of the data collected*: there are various repeated inconsistencies in the information taken from administrative sources that stem from the latter's specific functions. The main interest of border control authorities, for instance, is controlling the flows of non-nationals; other data of less direct interest to them are not always well collected (e.g. a national's country of residence, origin or destination, detailed purpose of trip); their concern is that the declared purpose be consistent with the type of visa, for instance, or with controls at the declared place of stay. Revisions, checks and controls are needed to make information most usable to tourism analysis.

3.45. Some countries record only minimal data from travellers and this should be used as a first source for tourism purposes. Where countries also use E/D cards the available data is usually considerably more, e.g. demographics of travellers, length of stay, main destination in country, etc., and should be used to complement the basic administrative data.

3.46. Data collected by migration authorities through direct capture (optical or machine passport reading), through direct questions to passengers, or by means of E/D cards, might be more limited than what UNWTO is proposing, particularly with respect to issues not strictly related to border control per se. While it is acknowledged that more and more countries' border control authorities are moving to electronic data capture and ceasing to use E/D cards, there are still many countries that continue to capture data through this source. The important issue is what data are collected, and not the medium through which they are collected.

Figure 3.2: Common information items on entry/departure cards

Information items	Usefulness for tourism statistics	
Date	****	Essential for measuring number of visitors' trips by month
Name	-	Not useful for tourism statistics
Surname	-	Not useful for tourism statistics
Sex	***	Useful for designing and stratifying surveys; very useful for marketing purposes
Civil status	**	Useful for designing and stratifying surveys; very useful for marketing purposes
Date of birth	***	Useful for designing and stratifying surveys; very useful for marketing purposes
Place of birth	*	Useful for tourism analysis, e.g. travel propensity due to links to another country
Nationality	**	Useful for designing and stratifying surveys; useful in conjunction with "Current country of residence"
Occupation	*	Very useful for marketing purposes
Current country of residence	****	Essential for identifying person as a visitor, and data on countries of origin; very useful for marketing purposes
Address in visited country	**	Useful for designing and stratifying surveys; useful for regional tourism statistics, along with port of entry in multiple destination countries.
Passport number	-	Not useful for tourism statistics
Place of issue	-	Not useful for tourism statistics
Date of issue	-	Not useful for tourism statistics
Type of passport	-	Not useful for tourism statistics
Type of visa	*	Useful to identify certain categories of border crossers and to determine which are non-visitors:
Port of entry	***	Very useful; useful for stratification of universe
Mode of transport	***	Very useful; useful for marketing purposes and for stratification of universe)
Flight number or name of ship	*	Essential for identifying residency of transportation company (particularly for international transport) for TSA, whether an air fare is part of inbound, outbound or domestic tourism expenditure[x]
Airline	*	Essential for identifying residency of transportation company (particularly for international transport) for TSA; useful for cross-checking with other sources[x]
Intended length of stay	***	Very useful as initial indication as to actual length of stay; needs to be confirmed
Accommodation	**	Of some use as initial indication as to actual accommodation; needs to be confirmed
Purpose of travel	****	Essential for identifying types of visitors' trips

(x) Also useful to determine whether there is an economic effect in the country of reference, and whether an air fare is part of inbound, outbound or domestic tourism expenditure although code sharing and the possibility of using various airlines on the same journey reduces its usefulness.

3.47. As mentioned earlier (see paragraph 2.9), travellers' trips should be classified according to country of residence of the traveller, which is usually approximated using the traveller's current home address. If the travellers' country of residence is not determined, the migration statistics will not provide a basic count of non-residents entering the country of reference, or a sampling frame for further observation.

Box 3.5: Egypt Case – Arrivals and departures

Passport, Immigration and Nationality Authority (PINA) provides the general framework for monitoring the universe of number of inbound arrivals and nights they spend in Egypt. It monitors all kinds of ports, air, sea and land - collecting data on arrivals and departures of travellers from data recorded in Entry/Departure cards. These data are collected, categorized and distributed by nationality/country of residence and purpose of visit according to two models targeting Egyptian travellers as well as foreign travellers. The PINA sends collected data to the Egyptian Central Agency for public Mobilization and Statistics (CAPMAS) and the Ministry of Tourism (MOT) monthly, and no later than the tenth day of the month that follows the month of monitoring.

Source*: Ministry of Tourism of Egypt, TSA in Egypt: Final Report, 2011*

3.48. UNWTO proposes a set of questions that can be used for Entry/Departure cards. The questions combine information useful for border control purposes as well as the minimum additional information for tourism statistics purposes.

Box 3.6: The use of E/D cards worldwide

A representative sample of 48 countries found that 21 out of the 34 responding countries specified using E/D cards. It showed that E/D cards were the most common mechanism for estimating arrivals and that all countries reporting their use also combined them with other administrative records (entry controls, the use of passports or visas, etc.).

The study also found that border surveys, which allow measuring visitors' expenditure and other visitors' characteristics, are increasingly used, and possibly motivated by the growing number of countries developing TSA (and the EU certainly due to the increased liberalization of travel flows). Indeed, the study found that the combination of sources (E/D cards, other administrative procedures, border surveys) occurs mostly where the measurement of visitor flows is associated to that of their expenditure.

Border surveys supplement E/D cards and often use as a universe the information from E/D cards or administrative sources concerned with passenger traffic. Because countries are increasingly using the electronic screening of passports, the use of E/D cards is decreasing.

Source: *UNWTO "Tourism as an international traded service", 2005, and 2D, "Designing tourism statistics in a context of free movement of natural persons"*

3.49. The usefulness for tourism analysis of questions related to a visitor's address in the country visited, intended length of stay, accommodation and purpose of visit is usually limited in two ways:

- First, the answers might be biased by the fact that migration authorities are the ones asking the questions. In some countries, migration authorities apply conditions for entry, based for instance on a traveller's declaration as to purpose of visit or place of stay consistent with the type of visa presented. For purpose of visit, answering "recreation" if the visa is for tourism, for example, would be acceptable. The answer "attending a meeting", on the other hand, might prompt an officer to request corroboration (an invitation). For place of stay, if it is known that the officer will not ask for a reservation voucher, a traveller might give the name of a well-known hotel instead of responding that his/her place of accommodation has not yet been decided. Such answers might provide useful information but require verification, and thus do not necessarily convey a visitor's actual characteristics.
- Second, because of the circumstances in which the information is collected, it is not possible to enter into much detail, to specify better some important dimensions, such as the expected duration of a student's course, the different forms of accommodation used

(e.g. fully owned, timeshare, etc.) or circumstances surrounding the trip's purpose (according to the rules previously stated in Chapter 2, Section C.1.1). Accordingly, information collected using this instrument exclusively might need to be adjusted for tourism purposes.

Box 3.7: Country example – Estimating student visitor numbers and expenditure in Australia

Australia uses a combination of source data to estimate student "visitors" and associated expenditure.

The *TSA:RMF 2008* recommends that the scope of international students should cover those non-resident students studying in the country of reference where the course of study is for a length of time of one year or less. The underlying intention of this standard is to exclude from 'visitors' those students that are undertaking a long-term course but return annually to their home country during vacation breaks. In the case of Australia, this is quite significant.

In 2010, the ABS adopted a revised method, the usual environment of international students in Australia is now based on their actual length of stay in Australia (ignoring any short-term interruptions during their course of study). This is consistent with the revised approach taken for migration statistics in Australia, whereby an international student would be considered a resident (from the time of their first arrival in Australia) if they have stayed in Australia for a period of 12 months or more over a 16 month period.

Expenditure on education fees is calculated using a combination of International Visitor Survey (IVS) data for education fees (where trip purpose is not education) plus a proportion of the Balance of Payments' travel services credits on education fees. This proportion is based on multiplying the 'flow' of short term international students from Net Overseas Migration (NOM) statistics by an annual per capita estimate of education fees for students studying at schools, tertiary education institutes, and private tertiary establishments (such as English language schools). The method excludes students if they are here for a total of 12 or more months out of 16 months (12/16) following an arrival in Australia.

Source: *Australian Bureau of Statistics, 2013*

3.50. It would be especially helpful to reach agreement with immigration authorities on access to their entry/departure databases so that, once individual records are duly rendered anonymous, their records can be reviewed for consistency, subjected to statistical debugging and used to estimate the average length of stay of various groups, broken down by country of residence. A much more precise estimate of this basic characteristic for the analysis of visitor behaviour can be obtained by using migration records (since they represent the actual population) than by carrying out surveys (except in countries that use sufficiently large samples for their border surveys and that cover every month of the year). It may be preferable for such access to the immigration authority's databases be given to the NSO rather than to the NTA. The NSO is familiar with dealing with such sources, is usually subject to legal constraints in manipulation and producing data, and is generally seen as being more professional in relation to such issues as confidentiality of data than other agencies (such as, possibly, the NTA). Also, the NSO may want a wider range of data from the data bases than are required by the NTA, such as migration movements. From the NTA's perspective it may be preferable for the professional official statistical body to be responsible for producing the data required, according to well established statistical procedures, ensuring good quality and timely information.

Box 3.8: Country experience – Australian E/D cards

Persons arriving in, or departing from, Australia provide information in the form of incoming and outgoing passenger cards (see below). These, and other information available to the Department of Immigration and Border Protection (DIBP) serve as a source for statistics of overseas arrivals and departures (OAD).

From July 2001, DIBP adopted a new passenger card processing system which involved electronic imaging of passenger cards and intelligent character recognition of the data stored in the images. This process has yielded several improvements to the processing of passenger card data, most notably the detailed information about missing values.

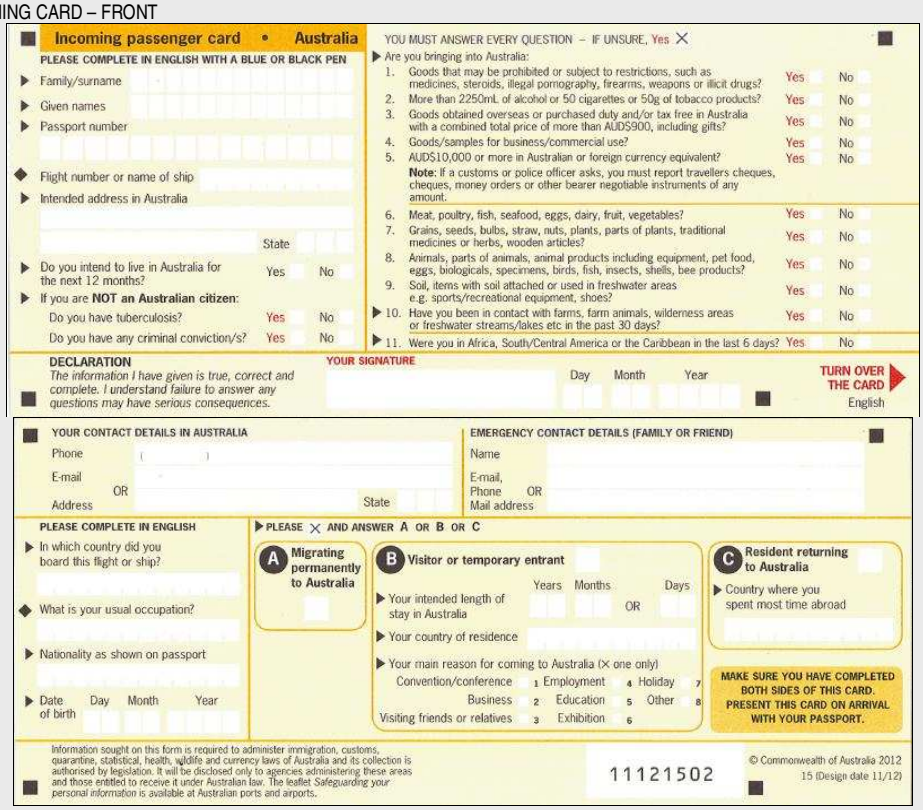
Overseas arrivals and departures statistics relate to the number of movements of travellers rather than the number of travellers (i.e. multiple movements of individual persons during a given reference period are each counted separately).

OAD statistics are derived from a combination of full enumeration and sampling. The number of movements where the duration of stay is less than one year (which includes visitors) are fully enumerated. However their characteristics are sampled.

The following variables are available for overseas arrivals and departures data:

- Age
- Airport/port of arrival/departure
- Arrival/departure date
- Australian residents:
  - Country spent/intend to spend most time abroad
  - Intended/actual time away from Australia
  - Main reason for journey (only available for long-term and short-term residents departing)
  - State or territory of intended address/state or territory of residence
- Category of travel
- Citizenship (nationality)
- Country of birth
- Country of embarkation/disembarkation
- Intention to live in Australia for next 12 months (not available for short-term movements)
- Marital status (not available for Australian and New Zealand citizens)
- Occupation (not available for short-term movements)
- Overseas visitors:
  - Country of residence
  - Intended/actual length of stay
  - Main reason for journey (only available for long-term and short-term visitors arriving)
  - State or territory of intended address/in which most time was spent
- Permanent migrants:
  - Previous/future country of residence
  - State or territory of intended address/lived
- Sex

INCOMING CARD – FRONT



Incoming passenger card • Australia

PLEASE COMPLETE IN ENGLISH WITH A BLUE OR BLACK PEN

Family/surname
Given names
Passport number
Flight number or name of ship
Intended address in Australia
State
Do you intend to live in Australia for the next 12 months? Yes No
If you are **NOT an Australian citizen:**
Do you have tuberculosis? Yes No
Do you have any criminal conviction/s? Yes No

YOU MUST ANSWER EVERY QUESTION – IF UNSURE, Yes ✕

Are you bringing into Australia:

1. Goods that may be prohibited or subject to restrictions, such as medicines, steroids, illegal pornography, firearms, weapons or illicit drugs? Yes No
2. More than 2250mL of alcohol or 50 cigarettes or 50g of tobacco products? Yes No
3. Goods obtained overseas or purchased duty and/or tax free in Australia with a combined total price of more than AUD$900, including gifts? Yes No
4. Goods/samples for business/commercial use? Yes No
5. AUD$10,000 or more in Australian or foreign currency equivalent? Yes No
   Note: If a customs or police officer asks, you must report travellers cheques, cheques, money orders or other bearer negotiable instruments of any amount.
6. Meat, poultry, fish, seafood, eggs, dairy, fruit, vegetables? Yes No
7. Grains, seeds, bulbs, straw, nuts, plants, parts of plants, traditional medicines or herbs, wooden articles? Yes No
8. Animals, parts of animals, animal products including equipment, pet food, eggs, biologicals, specimens, birds, fish, insects, shells, bee products? Yes No
9. Soil, items with soil attached or used in freshwater areas e.g. sports/recreational equipment, shoes? Yes No
10. Have you been in contact with farms, farm animals, wilderness areas or freshwater streams/lakes etc in the past 30 days? Yes No
11. Were you in Africa, South/Central America or the Caribbean in the last 6 days? Yes No

DECLARATION
The information I have given is true, correct and complete. I understand failure to answer any questions may have serious consequences.

YOUR SIGNATURE Day Month Year

TURN OVER THE CARD
English

YOUR CONTACT DETAILS IN AUSTRALIA
Phone
E-mail OR Address
State

EMERGENCY CONTACT DETAILS (FAMILY OR FRIEND)
Name
E-mail, Phone OR Mail address

PLEASE COMPLETE IN ENGLISH

In which country did you board this flight or ship?
What is your usual occupation?
Nationality as shown on passport
Date of birth Day Month Year

PLEASE ✕ AND ANSWER A OR B OR C

A Migrating permanently to Australia

B Visitor or temporary entrant
Your intended length of stay in Australia Years Months Days OR
Your country of residence
Your main reason for coming to Australia (✕ one only)
Convention/conference 1 Employment 4 Holiday 7
Business 2 Education 5 Other 8
Visiting friends or relatives 3 Exhibition 6

C Resident returning to Australia
Country where you spent most time abroad

MAKE SURE YOU HAVE COMPLETED BOTH SIDES OF THIS CARD. PRESENT THIS CARD ON ARRIVAL WITH YOUR PASSPORT.

Information sought on this form is required to administer immigration, customs, quarantine, statistical, health, wildlife and currency laws of Australia and its collection is authorised by legislation. It will be disclosed only to agencies administering these areas and those entitled to receive it under Australian law. The leaflet *Safeguarding your personal information* is available at Australian ports and airports.

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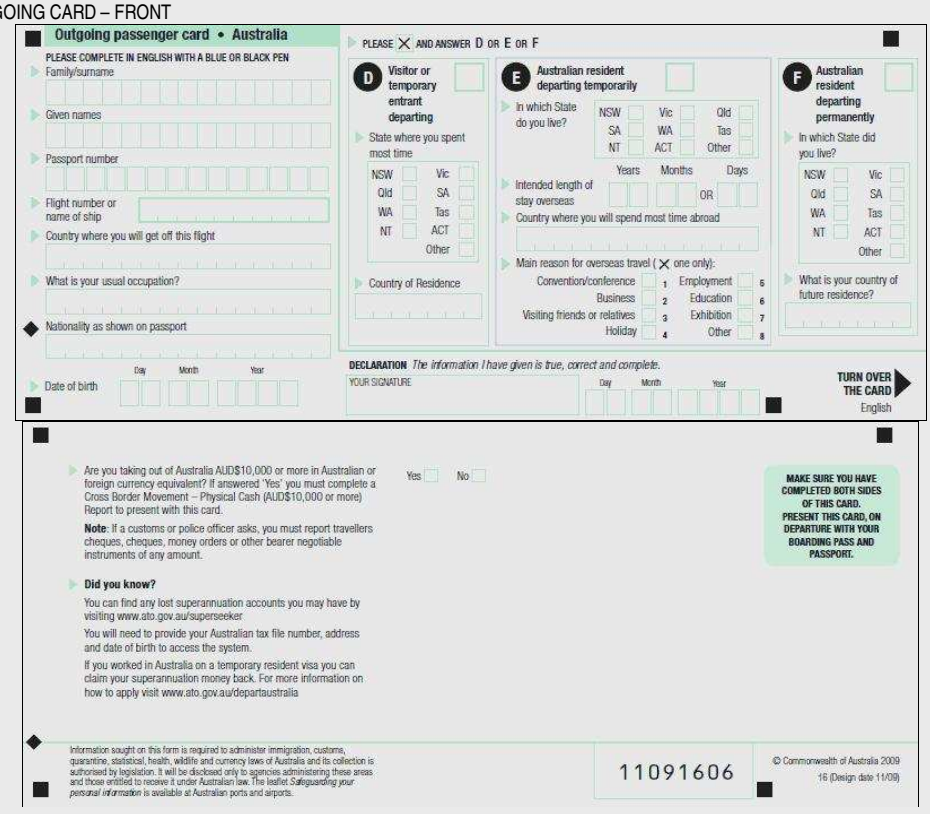
15 (Design date 11/12)

OUTGOING CARD – FRONT



Outgoing passenger card • Australia

PLEASE COMPLETE IN ENGLISH WITH A BLUE OR BLACK PEN

Family/surname
Given names
Passport number
Flight number or name of ship
Country where you will get off this flight
What is your usual occupation?
Nationality as shown on passport
Date of birth Day Month Year

PLEASE ✕ AND ANSWER D OR E OR F

D Visitor or temporary entrant departing
State where you spent most time
NSW Vic Qld SA WA Tas NT ACT Other
Country of Residence

E Australian resident departing temporarily
In which State do you live?
NSW Vic Qld SA WA Tas NT ACT Other
Intended length of stay overseas Years Months Days OR
Country where you will spend most time abroad
Main reason for overseas travel (✕ one only):
Convention/conference 1 Employment 5
Business 2 Education 6
Visiting friends or relatives 3 Exhibition 7
Holiday 4 Other 8

F Australian resident departing permanently
In which State did you live?
NSW Vic Qld SA WA Tas NT ACT Other
What is your country of future residence?

DECLARATION *The information I have given is true, correct and complete.*
YOUR SIGNATURE Day Month Year

TURN OVER THE CARD
English

Are you taking out of Australia AUD$10,000 or more in Australian or foreign currency equivalent? If answered 'Yes' you must complete a Cross Border Movement – Physical Cash (AUD$10,000 or more) Report to present with this card.
Yes No
Note: If a customs or police officer asks, you must report travellers cheques, cheques, money orders or other bearer negotiable instruments of any amount.

Did you know?
You can find any lost superannuation accounts you may have by visiting www.ato.gov.au/superseeker
You will need to provide your Australian tax file number, address and date of birth to access the system.
If you worked in Australia on a temporary resident visa you can claim your superannuation money back. For more information on how to apply visit www.ato.gov.au/departaustralia

MAKE SURE YOU HAVE COMPLETED BOTH SIDES OF THIS CARD. PRESENT THIS CARD, ON DEPARTURE WITH YOUR BOARDING PASS AND PASSPORT.

Information sought on this form is required to administer immigration, customs, quarantine, statistical, health, wildlife and currency laws of Australia and its collection is authorised by legislation. It will be disclosed only to agencies administering these areas and those entitled to receive it under Australian law. The leaflet *Safeguarding your personal information* is available at Australian ports and airports.

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16 (Design date 11/09)

Source: *Australian Bureau of Statistics, 2013*

Manifests

3.51. A manifest is an instrument used mainly in maritime transportation. In the case of cruise ships, ferries, yachts and all type of recreational vessels, the captain is usually requested to provide the port authority with a list of passengers and crew on board, indicating name, surname, nationality, passport number, and any additional information authorities might decide to request, often for the purpose of paying a head tax. That is usually all the information provided.

3.52. Arriving passengers who stay on board are usually considered non-resident visitors. In the case of passengers disembarking, however, additional information will need to be collected (e.g. through use of an E/D card or by way of a dockside survey), since some might be residents and others non-residents of the country of reference (*IRTS 2008, 2.63.*). Crews on public modes of transport should be excluded from the visitor category (*IRTS 2008, 2.62.*).

Advanced Passenger Information (API)

3.53. Advanced Passenger Information (API) consists of a set of data generated on passengers arriving by air. It is constructed from the "digital prints" left by travellers when booking, paying for, and engaging in travel. These databases are managed by private businesses that sell the product, in a variety of forms, to migration authorities, to give them clear, detailed and standardized records for each incoming passenger ahead of arrival. Anonymous information on incoming travellers from these databases can also be provided to tourism authorities.

3.54. The great benefit of this source is the coverage, reliability and timeliness of the data provided. Information on country of residence is not available from this source, but it can be approximated based on "country of origin" (for round as well as one-way trips).

C.1.3.2 Complementary sources

3.55. Passengers are counted by various complementary sources, which can provide information on personal characteristics and/or characteristics associated with the trip. Such sources include airlines, international bus companies, railways and highway toll booths (for automatic vehicle counts at or near land borders).

3.56. Airlines and airports systematically generate data on air passenger flows, including the number of passengers on each flight, which is sometimes disaggregated by nationality, port of embarkation, etc.). This information can be used to check immigration data (available classified by airline, day and flights) or to substitute for counts where border controls are not in place (e.g. the Schengen Zone). Data on passenger's country of residence, however, are not usually gathered by these sources. Care should be taken, though, to exclude passengers on transit on international flights and that do not necessarily enter the economic territory of the country of disembarkation.

3.57. Buses crossing international borders are also often required to present manifests in some form, providing information similar to ship manifests, including passenger identification, type of passport and passport number, permitting classification by nationality.

3.58. Railway companies can sometimes also provide information on their passengers when crossing international land borders, but confined to flows between stations.

3.59. It should be noted, however, that while these transport businesses may be required to provide the data discussed to the official authorities, some may be reluctant to make the data (or at least, some of it) available to other bodies, considering it to be "commercial-in-confidence".

3.60. At busy land borders, authorities might set up an automatic count of vehicles, identifying the type of vehicle (light passenger car, bus, truck, etc.) and/or its license plate (to determine the country of origin). The number of non-residents crossing the border can be estimated by assigning an average number of passengers per vehicle (often done manually) and assigning residence according to the license plate of each vehicle.

Box 3.9: Count of vehicles – the case of Mexico – U.S. border

Using count of vehicles to distinguish residents and non-residents by observing the plates of cars is not an acceptable solution for the Mexico-U.S border. Many U.S. residents (Mexican nationals) live near the U.S. border and own cars with plates from Mexico. These residents consistently transit, either for work or business, etc., and such a situation would imply an overestimation of foreign visitors.

Source: *National Statistical Office of Mexico, 2013*

3.61. As an alternative to automatic vehicle counting at the border, which requires the purchase and maintenance of special equipment, countries with toll booths located near border posts can refer to toll booth counts of vehicle flows. They might also collect additional information to distinguish residents from non-residents, supplementing the vehicle counts, where necessary, with the observation of license plates and number of persons per vehicle, to better approximate visitor flows.

3.62. Compilers should be aware, finally, that E/D cards, which usually include detailed questions, still do not provide sufficient information to determine certain classes of traveller precisely. For the purpose of tourism statistics, frequent border crossers, border workers and long-term students and patients, for instance, should be considered "other travellers" rather than visitors (i.e. as being within their usual environment: the place of study or medical treatment).

C.1.4. Phase two: Establishing the characteristics of international visitors and tourism trips

3.63. As compared to phase one, dedicated to the observation of global flows, the aim in phase two is to obtain more details about the characteristics of travellers making the trips. The first characteristic that needs to be established is, first, whether the traveller is a non-resident. (This is only if the information generated in phase one is insufficient for that purpose). Additional information is then needed from non-residents to determine whether their travel constitutes a tourism trip. If so, then still further information is collected on the characteristics of the visitor, his/her travel party (if travelling in one) and the conditions of the trip (duration, purpose, modes of international transport, main type of accommodation used, arrangements for organizing the trip, etc.). This is all the information necessary to characterise visitors and their trips, and in a subsequent stage, to generate statistics on their tourism expenditure.

3.64. The information to be requested should be useful for policy and analytical purposes, both for national authorities (mainly NTAs, NSOs and CBs) and for other stakeholders in the tourism sector. Whether persons travel alone or in parties, for instance, affects average expenditure but also the type of accommodation needed (single, double or multiple occupancy rooms). Whether persons travel for business or for recreation will affect their activities, including the times they will be available for touring or other recreational or cultural activities.

3.65. With very few exceptions (e.g. when information can be collected from E/D cards completed by visitors upon departure), tourism authorities will need to use surveys to establish the

characteristics of inbound visitors. Though flows of inbound tourism are measured on arrival, these surveys will usually need to be conducted upon departure, for two basic reasons:

- to avoid prolonging the border transit process for arriving visitors and "assaulting" them with a lot of questions right away; and
- because it is more accurate to collect actual characteristics of the visitor, particularly for expenditure, length of stay and activities undertaken while in the country. Only visitor expectations about such matters can be recorded on arrival and these can be widely inaccurate, particularly in relation to expenditure.

Box 3.10: Dealing with Unknown Reference Populations in Border Surveys on Inbound Tourism: the case of Italy

Since 1996, the Ufficio Italiano dei Cambi (UIC) has been carrying out an extensive inbound-outbound border survey on Italy's international travel. The survey is run on a continuous basis through a representative sample of around 130,000 face-to-face interviews per year, allowing the observation of several qualitative and quantitative attributes (Ufficio Italiano dei Cambi, 1997). The data from this survey are used both to compile travel information for balance of payments purposes and to meet the information needs of tourism operators and analysts. The paper focuses on the consequences of inadequate knowledge about the reference population, a typical problem in tourism statistics still requiring research. As illustrated in the paper, the UIC tackles this issue by conducting counting operations (more than 1,000,000 per year) to determine the number and nationalities of cross-border visitors. An approach to measuring the additional sampling errors resulting from the procedure adopted in Italy is also described.

Source: *UNWTO, "Tourism as an international traded service", 2005*

Box 3.11: Linking administrative data with sample survey data for grossing up data in Argentina

The National Immigration Authority usually provides information about travellers' arrivals and departures form/into the countries classified by nationality. The International Tourism Survey (ITS) estimations need residence -and not nationality- to classify travellers, so the data must be adjusted in order to calculate the quantity of inbound/outbound visitors in terms of residents/non-residents. Argentina uses a 3 step methodology to perform this adjustment:

Step 1: Residence coefficients calculation. The ITS uses two different questionnaires: one for resident tourists (form A) and the other for non-resident tourists (form E). In both cases, travellers are asked about the country of nationality (Argentine or foreign). Thus it is possible to identify within each of the surveyed samples (residents and non-residents) nationality and compare it to their country of residence. The following table can be completed, where the following classification is implemented:

1.) For resident travellers: those with argentine nationality (A_1) (i.e., they arrive/depart the country with argentine Passport/ID) are separated from those with foreign nationality (A_2); and
2.) For non-residents travellers, it used the same logic, separating between argentine nationality (E_1) and foreign nationality (E_2).

	Argentine passport/ID	**Foreign passport/ID**	**Total**
Resident tourists (survey A)	A_1	A_2	**$A = A_1 + A_2$**
Non-resident tourists (survey E)	E_1	E_2	**$E = E_1 + E_2$**
TOTAL	**$X = A_1 + E_1$**	**$Y = A_2 + E_2$**	

Consequently, adjustment factors are calculated by considering the proportion of resident tourists (A_1) over the total respondents with argentine nationality (A_1/X) and, also, the ratio of non-resident tourist (E_1) over the total respondents with argentine nationality (E_1/X). Thus, it is possible to calculate the

share of travellers with nationality and residence in Argentina and as well as the ratio of those with argentine nationality but living abroad. The same exercise is applied to those with foreign nationality and residence in our country (A_2) and for those with nationality and residence abroad (E_2). Adjustment coefficients shown in the following table:

	Argentine passport/ID	**Foreign passport/ID**
Resident tourists (survey A)	X_1% (A_1/X)	**Y_1% (A_2/Y)**
Non-resident tourists (survey E)	X_2% (E_1/X)	**Y_2% (E_2/Y)**
Total A+E	**100% (X_1% + X_2%)**	**100% (Y_1% + Y_2%)**

Step 2: coefficients shares are calculated by groups of countries. The second step deals with the problem of determining the country of residence of those with argentine nationality but living abroad (E_1). Fortunately form E of the ITS includes a question where travellers are consulted about their country of residence, grouping them in the following countries/regions: 1) Brazil, 2) Chile, 3) Uruguay, 4) the set "United States and Canada", 5) the set "Rest of America", 6) the continent "Europe" and 7) the set "Rest of the World".

Finally, adjustment coefficients are estimated by calculating shares for each of those countries or regions over the total tourists with argentine nationality. Consequently, the former table is extended as follows:

	Argentine passport/ID	**Foreign passport/ID**
Resident tourists (survey A)	X_1%	**Y_1%**
Non-resident tourists (survey E)	X_2%	**Y_2%**
Brasil	$X_{2.1}$%	
Chile	$X_{2.2}$%	
Uruguay	$X_{2.3}$%	
EEUU y Canadá	$X_{2.4}$%	
Resto de América	$X_{2.5}$%	
Europa	$X_{2.6}$%	
Resto del mundo	$X_{2.7}$%	
Total A+E	**100% (X_1% + X_2%)**	**100% (Y_1% + Y_2%)**

Step 3: Calculation of total tourists. In order to calculate the resident travellers, the ratio of those with citizenship and residency in Argentina (X_1%) is multiplied to the total arrivals of nationality argentine passengers. Then, we apply the ratio of those with foreign nationality but with local residence (Y_1%) to the arrival transits of foreign passengers. The sum of those terms gives as a result the total resident travellers in Argentina.

In order to estimate the non-resident travellers, the same procedure is used, considering X_2% and Y_2% coefficients and shares calculated in the previous steps but using departure data. In this case, estimates are done separately for each country or group of countries. Coefficients of those with argentine nationality but with foreign residence by country or regions ($X_{2.1}$%, $X_{2.2}$%, etc.) are applied, correspondently, to the total departure transits of Argentina. Then, to the departure of the foreign passengers, the coefficient of those with nationality and residence abroad (Y_2) is applied. Again, the sum both terms allow to calculate the total non-resident travellers.

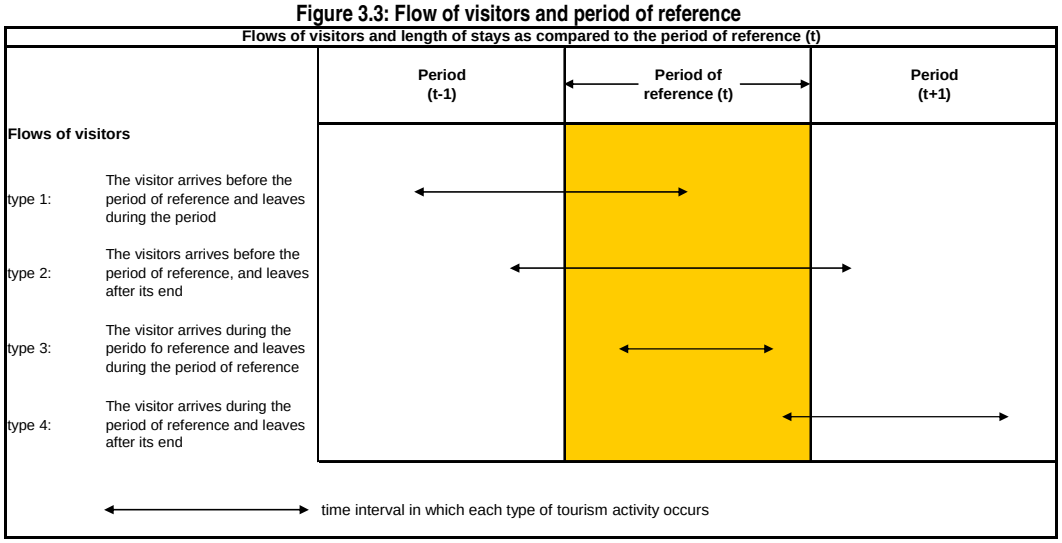
Source: *Ministry of Tourism of Argentina, 2013*

C.1.5. Issues specific to the observation of characteristics of inbound visitors

3.66. In most tourism observation procedures, the characteristics of inbound trips and visitors are established as visitors leave the country, but this information is assigned to arrival figures estimated for the period of reference.

3.67. The figure below is provided to illustrate for compilers the hidden assumptions behind the most frequently used procedure: assign all tourism activity to the period of reference corresponding to the arrival of the visitor. As shown, this practice is strictly appropriate only in one of the four possible circumstances.

Figure 3.3: Flow of visitors and period of reference



Type 1: a person arrives at the place visited before and leaves during the period of reference. Such cases will be registered as arriving in period (t-1), even though part of the person's tourism activity takes place during the period of reference. Consequently, measurements of all the person's activity during the trip, including expenditure, will be assigned to period (t-1).

Type 2: a person arrives before and leaves after the period of reference (t). As for type 1, the person's tourism activity during period t will be assigned to the period of arrival (t-1), though occurring part in (t-1), part in (t) and part in (t+1).

Type 3: a person both arrives and leaves during the period of reference (t). In this "ideal" case all the person's tourism activity occurs during period (t) and enters into the calculation.

Type 4: a person arrives on a tourism trip during and leaves after the period of reference (t). The person will be registered as arriving during the period of reference (t) although part of his/her activity will also take place during period (t+1). Consequently, measurements of all the person's activity, including expenditure, will be assigned to the period of reference (t), even though part of it occurred in period (t+1).

3.68. To measure with precision the tourism activity during a period of time, each of the four circumstances presented above should ideally be identified separately and the visitors' activities allocated proportionally (or otherwise) to the periods of time in which their stay and the period of reference overlap. Obviously, the applicability of this 'ideal method' depends on

whether entry/departure dates have been registered for each traveller and on how the information captured on E/D cards has been stored.

3.69. The implementation of this "ideal method" would imply higher cost as it requires systematic re-estimations of tourism statistics. Countries should document which method they applied when counting travellers. If a country opts to count and survey inbound tourism at arrival it should make clear that some of the information supplied is uncertain, e.g. by labelling the information as "*expected* length of stay" or "*expected* expenditure". If the country on the other hand counts and surveys inbound visitors on departure "*actual* length of stay" or "*actual* expenditure" are measured. The same applies for outbound tourism.

3.70. In practice, however, the distinctions between types 1, 2 and 4 are often ignored: it is implicitly assumed that the mismatches will eventually cancel each other out. The cases concerned, however, could distort short term analyses of arrival and expenditure figures (see Box 3.12). In publishing the data, it should be made clear that the numbers relate to "arrivals" during the reference period. The issue of when to count a visitor becomes less of a problem (1) the longer the period of reference and (2) the shorter the duration of trips.

Box 3.12: Treating "long term" visitors in the case of short term statistics

Although, in general, these implicit assumptions will have little effect, they could be particularly troublesome in the case of short term statistics (monthly for instance) when there are wide seasonal differences in behaviour that extends across two contiguous periods (for instance, heightened tourism activity over New Year). In those cases, a more rigorous method of estimation might be needed, using the dates of visitor arrivals and departures. This obviously delays estimation because it cannot be done properly before the departure of all persons arriving during the period. It might also generate inconsistencies in periods when, for some exogenous reason, there is a marked difference in behaviour between the two periods that normally offset each other. It would be necessary in such circumstances to take into consideration arrival and departure dates.

In countries where the average length of stay of certain categories of persons is particularly long (retirees on a Caribbean island, for instance), it might be necessary, in estimating their tourism activity, to use methods of estimation appropriate for this category of visitor and to consider how the tourism activity of such persons might be allocated over each of the periods observed during their stays.

It must be observed finally, however, that this recommended method of estimating tourism activity has an effect on coherence and consistency between demand and supply data. A statistical discrepancy might appear, for instance, in respect of hotel stays when using this method, as compared to estimates derived from hotel room occupancy, since actual nights stayed in hotels during a given period are measured irrespective of when visitors begin or end their visits.

3.71. This section pays special attention to the assignment of the tourism activity to the correct period of reference. Related to this issue are possible distortions in the estimated number of non-resident international arrivals when the information about country of residence is collected upon departure of visitors and this information is then applied to the arrivals figures. Residents and non-residents may have opposite behaviours that can lead to wrong conclusions. Similar problems can arise in specific periods in which passengers entering a country follow different patterns from those leaving the country, e.g. coming for a short visit in September (i.e. both arriving and departing in September) vs. leaving after a long holiday period ending in September.

C.1.6. Statistical sources

3.72. In an increasing number of countries, the border control system is neither complete nor totally reliable: a clear example is that of the European countries that are parties to the Schengen Treaty, where controls are limited to the Zone's outside borders, with only limited control of internal movements by citizens from non-Schengen countries. In these cases, it will be necessary to look for other sources of information, whether of an administrative nature or principally statistical surveys, to measure the flow of non-resident travellers arriving in the country. Three classes of statistical source are possible:

- Border surveys
- Surveys of visitors (at market accommodation establishments or popular visitor sites)
- Household surveys in originating markets
- Other (e.g. administrative data, mirror data)

If different types of surveys are available, their questionnaires should be mutually consistent: they should share definitions and classifications, and their questions should be formulated similarly, so that they can complement each other.

C.1.6.1 Border surveys

3.73. It should be emphasised at the outset that, before border surveys are considered, the first priority should be to obtain data from administrative sources, particularly the passport control processes. Border surveys should be used to collect supplementary data to the available administrative data, for example to collect data on expenditure, activities while in the country, places visited, etc., as discussed in Section C.1.3.1.

3.74. Countries carrying out such surveys usually draw their sample from a universe determined on the basis of administrative data from official sources, or data provided by carriers, (airlines, railway companies, shipping lines, scheduled bus lines), vehicle counts at road border crossings, etc.

3.75. As mentioned earlier (see paragraph 3.65), these surveys are carried out upon the visitor's departure from the country. They often also include some type of measurement of expenditure, based on a single question, but preferably on an expenditure module, i.e. a set of interconnected questions serving to elaborate on certain characteristics of the visitors' behaviour (see Chapter 4, Section B.3.1).

General design

3.76. Border surveys must be statistically designed so that the sampling and characterization of tourism trips and visitors can be considered representative of the entire population of international inbound trips. Designing such surveys requires an analysis of the country's information obtained from phase one (see Section C.1) in order to evaluate its suitability as the population framework of reference from which the sample is to be selected and data are to be collected and grossed up, see UNWTO 2005, (paragraphs 3.21. to 3.26.).

Box 3.13: Challenges in Measuring Inbound Tourism: The case of the Philippines

The main source of inbound statistics in the Philippines is the arrival card which is filled up by all travellers entering the Philippines. The Philippine Department of Tourism (DOT) and the Bureau of Immigration (BI) are jointly responsible for encoding, processing, and generating reports on the volume of international visitor arrivals, as sourced from the arrival card, which has been identified as a "Designated Statistics" for tourism under Executive Order in 1996. Though a proposal to remove the arrival card has been raised, the DOT and BI are continually working together to improve the appearance and dynamics of the arrival card to ensure that it remains a vital and critical data source for decision-making by the government and the private sector with regard to tourism development and promotion. The critical data in the arrival card relevant to tourism are the country of residence and purpose of visit.

A Visitor Sample Survey (VSS) is also being administered by the DOT on a regular basis in all international airports of the country to generate statistics on visitors' demographic or profile, their travel characteristics, including psychographic information. The most critical data in the survey is the determination of length of stay and average expenditure of visitors, which are important parameters for estimating visitor receipts. The VSS complements the data gathered from the arrival card as a major source of information for inbound tourism statistics and the tourism satellite account (TSA).

Source: *National Statistical Coordination Board, Philippines*

Box 3.14: Establishing the characteristics of international visitors and tourism trips: the case of France

In France, a border survey is conducted every quarter (20,000 questionnaires) by a private subcontractor. Entitled "Enquête auprès des Visiteurs de l'Etranger" (EVE), the survey permits the collection of quantitative data on trips (same-day visits included) in France by non-resident visitors, and is conducted just before they leave French territory. One major purpose is to collect data on physical flows of non-resident visitors (arrivals, tourist nights, same-day visitors, etc., broken down by country of usual residence). Another major purpose is to provide data requested by the statistical service of the Central Bank (*Banque de France*) for use in estimating the travel receipts item for the French Balance of Payments. The survey also collects data requested for French tourism market analysis (categorical data on non-resident visitors, main purposes of trip, places visited in France, activities during their stay, types of accommodation, modes of transport used, etc.). *The General Directorate for Competitiveness, Industry and Services* is interested in both monetary and non-monetary variables.

The sample is stratified in order to calculate results for 22 countries or group of countries. Manual headcounts are conducted and EVE questionnaires are used at the same locations, except in the case of questionnaires for travellers by road, which are used at car parks along motorways near the French border.

Dates of arrival and departure are indicated by the respondent, so the issue mentioned in paragraph C.2.1 is avoided.

Source: *French Ministry of Tourism, 2010*

3.77. Once this information has been analysed, one of the following situations will arise, depending on the country and the type of border crossing concerned:

(a) **There are comprehensive and reliable data on arrivals of international travellers**

In such situations, the variables linking the information in the survey and the universe of reference will be the relevant characteristics measured in the arrival statistics (such as country of residence and/or nationality). These also need to be reliably recorded in the sample, being representative of those characteristics in the universe.

In this case, the information obtained from the survey will serve to improve the classification and characterization of traveller flows based on the records of international traveller arrivals.

It is frequently the case, however, that data are collected on nationality only, and not on country of residence. In some countries border officials are instructed to ask travellers for their country of residence, but in practice this information is often not reliable or not collected properly.

(b) **The data available on arrivals of international travellers are not totally reliable**

The survey will need to be designed so as to provide the information required to distinguish within the universe of inbound traveller flows (e.g. by railway or at land border crossings) which travellers are nationals of the country (vs. foreign nationals), and which are residents (vs. non-residents) and to identify the characteristics of non-resident visitors and of their tourism trips.

3.78. The information yielded by the survey, together with the information on border flows, should make it possible to segment the population frame or statistical universe by tourism-relevant variables.

Box 3.15: Estimating the number of international visitors within the Schengen area of free movement of people: the case of Spain

The practice in Spain may be considered a good example of how a combination of information sources can be used to estimate the number of non-resident travellers arriving in a country. Like many other European Union countries, Spain dismantled a sizeable part of its border police controls in 1994, resulting in the immediate disappearance of information historically gathered by security forces at national borders on the number of travellers arriving from Schengen countries. This obliged Spain to design and introduce a new system for measuring and characterizing traveller flows at its borders, based on administrative data from various bodies responsible for traffic on access roads, at airports and ports and on trains, as well as information generated by direct surveys at all points of entry.

Spain puts this information to several uses:

- Border surveys: the NTA carries out two kinds of border survey, one on arrival and the other on departure. The former entails a short questionnaire to classify travel flows according to seven basic characteristics (age, gender, country of residence, purpose of trip, type of accommodation, length of stay and organization of the trip); surveys conducted upon departure use a much broader questionnaire including the same questions asked on arrival plus additional data on the trip (expenditure, frequency of visits, activities deployed, satisfaction, etc.).
- Manual counts on roads: the NTA is also responsible for carrying out manual counts at the principal land borders so as to determine the number of vehicles crossing and the registration number and number of occupants for each vehicle.
- Automatic traffic counts on roads: road traffic authorities in Spain (Dirección General de Tráfico) provide the NTA every month with a record of vehicles entering Spain, as recorded by the NTA's automatic counting devices at all road borders.
- Administrative records of passengers on international flights: the Spanish airports authority (AENA) provides the NTA with monthly records of passengers arriving at Spain's airports on international flights, according to country of origin and airport of destination.
- Administrative records of passengers arriving at ports: the authority responsible for passenger and goods traffic at national ports (Puertos de Estado) provides the NTA with a monthly record of disembarking passengers.
- Administrative records of passengers arriving on trains from abroad: the authority responsible for passenger traffic on national trains (RENFE) provides the NTA with monthly records of passengers arriving in Spain on trains with international connections.

Based on these official figures, the NTA makes a month-by-month estimate of the number of non-resident travellers arriving in Spain and identifies some basic characteristics, such as type of visitor, country of residence, purpose of travel, type of accommodation and length of stay. Since 1995 it has used a sophisticated system, known as FRONTUR, which for each point of access makes it possible to combine information from the administrative records, in some cases vehicles and in others passengers, with the data yielded by border surveys.

More information on the data source and methodology used by Spain for overseas arrivals is available at www.iet.tourspain.es

The sample

3.79. The design of a statistical sample is usually incredibly complex. There are often official and complementary data sources available for use in structuring the statistical universe or sample frame. The design must account for the particularities of trips: that travellers often travel in groups or parties, that they include children, and that questionnaire respondents need to be selected in a way that reflects these particularities. Expanding the data gathered to represent the entire universe of trips is also a real challenge for statisticians.

3.80. Additionally, access to administrative information on the arrival and departure flows of non-resident travellers at a country's ports of entry provides an indication a priori as to which are most representative at each point in the year, because of their volume or the greater heterogeneity of travellers. Their representative character can also change over time, for example as happened when Iceland's volcanic eruption in 2009 forced visitors to Ireland to shift to smaller local airports, a change that the existing statistical design was slow to grasp properly.

3.81. These designs require statistical expertise. In countries whose NTA lacks this expertise, it is necessary to have the active involvement of the NSO in survey design and the establishment of minimum size and selection of the sample – including its distribution by type of port of entry, by type and characteristics of modes of transport used, by flight (charter/scheduled, low-cost/conventional), time (day or night), day of the week (working days, holidays, weekends), periods of the year, as well as other characteristics of the tourism trip or the visitor considered relevant.

3.82. In determining sample size, consideration should be given to the minimum number of interviews required to ensure that the entire population of travellers arriving at each port of entry is represented as well as to the distribution of travellers over time. Also, consideration needs to be given to the need for a sufficient sample size to allow for cross-tabulations between crucial variables to be produced with a degree of statistical reliability (e.g. country of residence by purpose of visit, etc.).

3.83. Cooperation from the NSO should also extend where possible to subsequent processing of the data collected – their entry, filtering, validation and tabulation – all processes commonly applied in undertaking surveys and often requiring expertise mainly or exclusively held by a NSO.

3.84. Unlike other statistically observed phenomena, where a given stratification and sampling assignation might remain virtually stable over the years, travel flows can be volatile in response to a variety of factors, so the initial sample design should be updated regularly.

Box 3.16: Egypt: Inbound Tourism Survey

- Number of data collection rounds: 4
- Dates of rounds: four rounds, each round is represented by the seven days of the week and each day appears only once during each round
- Total targeted sample size:
  - 60,000 tourists distributed to represent the prior year actual relative distribution of the broad categories of nationalities, namely Arabs, Western Europeans, Eastern Europeans, Asians, Americans, Africans, and others.
  - 10,000 Egyptians (residing elsewhere) while visiting Egypt.

Sample Size Relative to Total Population

Year	Sample (000)	Total Foreign Inbound Tourists (000)	(%)
1990	20.2	2411	0.84
1992	21.2	2944	0.71
1994	23.3	2356	0.99
1996	28.1	3528	0.80
2000/2001	45.7	4603	.99
2009	60.0	12500	.48

- Coverage: 11 ports
  - Airports (Cairo (the old and new airports), Sharm el-Sheikh, Hurghada, Marsa Alam, Luxor, Borg El Arab, Nozha), Maritime port of Nuweiba and Road paths of Salloum and Taba.
- Unit of analysis:
  - The Visitor
- Weighting method
  - The actual number of tourists and nights they spent in the reference year is used and distributed according to the broad categories of nationalities.
  - Average expenditure per night of each broad category of nationalities is estimated through the survey and applied to the actual number of nights spent by tourists in the reference year to get the total expenditure of this category. The sum of this cross multiplication across all categories of nationalities gives the total inbound tourism expenditure.
- The questionnaire languages: 9
  - (Arabic, English, French, German, Russian, Japanese, Italian, Spanish, and Chinese)

Source: *Ministry of Tourism of Egypt, TSA in Egypt: Final Report, 2011*

The questionnaire

3.85. UNWTO has developed a set of questions (see Annex 1) that could serve as a starting point for a questionnaire and should be adapted by each country's own particular tourism reality and resource availability. Here are some examples of particularities that should be considered:

- In many countries the number of inbound same-day visitors or excursionists is not significant or, if it is, the cost of surveying such visitors would be disproportionate to the benefit of including them (in terms of their total expenditure).
- It might be reasonable to use a simplified version of the questionnaire at border crossings, where there is little time for interviews. More time is available at airports than at road crossings;
- Questions related to the breakdown of transport could be further divided as indicated in *IRTS 2008, Fig. 3.2.*;

- For questions on "Types of accommodation" it is recommended that each country separate paid and market accommodation from non-paid and non-market accommodation, and on this basis, use the nationally established classification: that is the relevant classification for analyzing supply and expenditure.

3.86. The proposed set of questions is focuses on information asked during a border survey but could also be used as reference for other types of surveys. It is divided into five blocks:

A. Core module
B. Module 1: Mode of transport
C. Module 2: Accommodation
D. Module 3: Activities while in the country
E. Module 4: Expenditure

3.87. A few words of caution regarding the use of these questions:

- The set of question should be adapted to the particularities of tourism in each country and should be discussed with key stakeholders in the tourism sector as well as Balance of Payments and National Accounts' officials;
- Since border surveys are expensive, the entire process should be tested (including the tabulation of results) by means of a pilot exercise to ensure that the final version is as efficient as initially envisaged;
- The tables of expected results to be produced alongside the questionnaire should be designed and their content tested using the data collected through the pilot exercise, since the final objective of a questionnaire is to produce data that cross-classify the main variables observed; the usefulness of the tables for tourism analysis should also be reviewed;
- Since border surveys are technically challenging it should be ensured that the necessary resources and technical expertise have been committed to them and that their funding will be stable over time;
- Guidelines for field personal should be drafted and a serious commitment made to training before launching the survey.

Box 3.17: Taking into consideration the special features of tourism in the country

In countries where the number of non-residents owning vacation homes or timeshares is relevant, or where it is a national policy to encourage non-residents to do so, vacation homes and timeshares should be specifically identified as forms of accommodation. Similarly, in countries with large emigrant populations, staying with family and relatives should be highlighted as a mode of accommodation. In countries that host many international conferences and meetings, it might be helpful to collect information on the secondary purpose, particularly for accompanying persons. In countries that frequently attract family groups, it might be useful to collect more information on travel party composition (age structure in particular).

Implementing the survey

3.88. Procedural aspects to bear in mind in implementing border surveys include the following:

(a) *The survey vehicle used:* while any method considered suitable may be used to collect the information, the most desirable methods are the computer-assisted interview (which generates highly reliable information, albeit at higher cost) and the printed questionnaire, to be completed by the respondents (less reliable, with a higher incidence

of non-responses, but also much less costly). All means of access may not be equally relevant for identifying inbound tourism (e.g. some small obscure land border posts may not be used much, if at all, by visitors); those considered less so could be excluded (at least in the first stages of observation, in line with the principle of gradualism).

(b) *Possibly recording and grouping possible answers*: for instance, questions regarding activities deployed during the stay should be adapted to local conditions.

(c) *The subjects targeted:* in the case of air travel, countries often use a multistage selection process, which starts with the selection of a flight from an entire flight programme. Some countries then select all passengers on board; others select only certain passengers (possibly based on the seats occupied). The number of passengers on a flight provides the basis for grossing up the information and should be collected and stored for future review and follow-up with the source. After the required passengers have been interviewed, the number of questionnaires can be compared with the number of passengers, making it easier to strictly control the country of nationality/country of residence of all passengers on the selected flight and gross up the findings to the entire universe of flights. At other types of borders, as mentioned, a similar statistical design is desirable, in which all passengers in a land vehicle, train carriage, etc., are treated as clusters. The case of passengers in international transit without leaving the international zone of an airport should be given appropriate consideration (e.g. are they significant enough in terms of numbers and expenditure to count (see Chapter 4, Section C.4)).

(d) *Place of sampling:* at airports, preferably prior to flight departure in the boarding gate waiting area, for data collection on inbound visits. However, the increasing use of airline lounges for first class, business travellers and frequent fliers makes an increasing number of passengers, with specific characteristics, inaccessible for interviewers. A specific strategy needs to be designed to deal with this issue (e.g. conducting the interviews at the check-in stage). At other types of border, particularly land border posts, the strategy needs to be carefully planned, because time is short, and travellers flows cannot easily be stopped. It might be necessary to look for alternatives, such as selecting respondents at toll booths or rest areas situated near the border post (although this could bias the procedure).

(e) *Personnel conducting the sample:* the sampling should preferably be carried out by (preferably bilingual) personnel specially trained for this purpose by the NTA. This is to ensure that the interviews are conducted as much as possible in the passengers' first language. (Interviews conducted in another language often lead to misunderstandings and thus inaccurate data.)

(f) *Treatment of non-responses and outliers*: non-responses and outliers directly affect the quality of the information collected and impair that of the resulting estimates. They inevitably erode the sample size initially established and create biases in the sample that are difficult to control. The distribution of non-responses among the population of international travellers needs to be determined in order to define strategies to reduce their numbers and develop formulae to correct the resulting biases.

(g) *Additional considerations*: various conditions conducive to high response rates need also to be considered: the place where the questionnaires are distributed or the interviews are conducted; the method used to collect the information; the survey team's level of experience; the language used to address travellers; the subject's country of residence (persons from some countries are more reticent than others to participate in interviews); legal requirements (whether survey responses should be compulsory), etc. Finally, imputation techniques should be used (i.e. resorting to similar, reliable and complete data sets) to supplement or substitute for missing and unreliable data.

Box 3.18: Country Experience – Imputation of item non-response in Austria

Nearest Neighbour Imputation (NNI)

In order to compensate for non-response, nearest neighbor imputation is one of the hot deck methods used in sample surveys. Although it has a long history of application, few theoretical properties of the nearest neighbour imputation method are available. Under defined conditions, the nearest neighbour imputation method provides unbiased and consistent estimators of functions of population means (or totals) and population distributions. Simulation results show that the estimators based on nearest neighbour imputation and the proposed variance estimators have good performances.

Hot-deck imputation - a donor questionnaire is found from the same survey as the questionnaire with the missing item. The "nearest neighbour" search technique is often used to expedite the search for a donor record.

In this search technique, the deck of donor questionnaires comes from the same survey and shows similarities to the receiving record, where similarity is based on other data on the questionnaire that correlates to the data being donated. For example: similar destination and kind of accommodation used might be used for donation of travel expenditure, see also Chen/Shao (2000).

Holiday and business trips

In Austria sample surveys of the Austrian population 15 years and older proved to be the most efficient solution to gather information on domestic and outbound tourism. At Statistics Austria information on national tourism is therefore compiled by using a demand side approach. This is done by using a representative sample of the Austrian population who is asked about their travel behavior with the help of computer assisted telephone interviews (CATI).

One of the shortcomings is the existence of missing values. Since it is a retrospective survey there is commonly a recall problem concerning various items - in particular regarding expenditures. To overcome this problem an information letter is sent out two weeks before the interviewing phase starts. By not approaching the respondents out of the blue, more accurate answers can be expected, but many respondents still either have no information on the expenditure (e.g. business tourists, older children travelling with their parents), or have simply forgotten (recall problem).

Missing and implausible values on individual questions (item-non-response) are replaced after the interviews (imputation) to simulate a complete data file. Quantitative and qualitative values are replaced by donors. This approach underlies the presumption that the missing values are linked to other characters of the trip. The whole data file (each row corresponds to a trip) is grouped into classes of similar trips; whose means are then used to replace missing values. To find adequate donors similarities need to be mathematically expressed by distance functions. The criteria used depend on the missing value.

Source: *Statistics Austria, 2013*

3.89. For a comprehensive overview of border survey implementation see UNWTO (2005, Section D).

C.1.6.2 Surveys of visitors (at market accommodation establishments or tourism sites)

3.90. Guest registers could form the basis for surveys at market accommodation establishments. They are used in much of Europe, where border surveys are less feasible. They do not, however, permit visitors to be distinguished from other travellers, a key objective in compiling inbound tourism statistics in countries where the difference is relevant. If used, they should therefore be evaluated, with particular attention to:

- the updating mechanism for such registers (particularly in the case of repeat customers, whose particular characteristics might change over the years and hoteliers fail to update);
- the relevance of same-day travellers; and
- visitors staying in the homes of friends or relatives, in private homes or in other means of accommodation not officially registered as market establishments.

3.91. Exogenous information needs to be used to correct for the underestimation and bias that results from considering only visitors who use such forms of accommodation. If the flow of visitors not staying at market accommodation establishments is considered relevant (as it usually would be), their activity can be measured by including “tourism modules" in local household surveys (to estimate the number of resident households that have received visits from non-resident relatives and friends or that rent rooms or apartments they own to visitors).

3.92. Once the limitations mentioned in the previous paragraphs have been overcome, surveys of visitors staying at market accommodation establishments might be used to characterize visitors and their tourism trips more precisely and possibly more completely than using (only) border surveys (see Section C.1.6.1), as the time constraint might be less relevant.

3.93. Estimating expenditure at the time of the interview, before visitors have concluded their stays in the country, is more challenging: they can only report what has happened up to that point in time. If information is also being collected on expenditure, there may be significant biases, since people often leave the purchase of souvenirs or other items to take back home to the very last minute before departure (e.g. in the duty-free shops at the airport). Also, unexpected events, either in the country of origin or the country visited (such as natural disasters, bad weather or political turmoil) or personal reasons might oblige visitors to change their minds about anticipated expenditures.

3.94. An alternative to surveying travellers at market accommodation establishments might be to survey visitors at popular tourism sites. However, this poses similar difficulties: a traveller might visit more than one site, while others might not visit any, particularly if the main purpose of the trip is other than recreation, e.g. visits to family and relatives or for business. It is not always feasible, moreover, to use statistically designed samples for such surveys, making the process of grossing up the findings to represent the entire population of inbound travellers a particular challenge, probably resulting in biased or misleading data. However, such surveys can be useful in measuring changes in visitors’ activities or characteristics over time and also to estimate average daily expenditure. While the surveys may not be a reliable indicator of total visitor numbers, if implemented consistently over time, trends in their activities and characteristics can be identified.

C.1.6.3 Household surveys in originating markets

3.95. Surveys of individuals in their usual environment, to collect information on their tourism behaviour, use the number of residents as the population frame or statistical universe. Consequently, one way of estimating the number of arrivals, the characteristics and the expenditure of non-resident traveller from country (X) in the country of reference (Y), could be to draw from the information reported by such travellers in response to household surveys in their country of residence (X). If countries are willing to share this information (especially if

they have harmonized their surveys, as most European countries have done), then estimates can be made of the number of arrivals and expenditures by non-resident visitors in country Y from all countries concerned.

Box 3.19: Country example – Collecting information on inbound tourism after returning home

The New Zealand Ministry of Economic Development conducted an International Ticket Purchasers Survey after the Rugby World Cup 2011 took place. A database of overseas resident Rugby World Cup (RWC) ticket purchasers was available for email contact. For this survey, RWC visitors were defined as individuals in the data base.

Although the RWC matches took place in September and October 2011, RWC visitors arrived before and stayed after this time period. The time periods used for each survey were designed to best capture a true picture of RWC visitors.

The survey was sent to the 37,156 unique ticket purchasers following database cleaning. Of these, valid responses were received from 12,259 respondents, resulting in a response rate of 33%. Data was then weighted by country using the database population and subsequently cleaned.

The International Ticket Purchasers survey included questions on travel information, satisfaction, Auckland RWC venues and expenditure. For the purposes of this analysis, the survey was used to look at the number of trips to New Zealand, matches attended, and satisfaction.

Source: *New Zealand Ministry of Economic Development, New Zealand's 2011 Rugby World Cup: A Tourism Perspective, 2012*

C.1.6.4 Mirror statistics

3.96. The use of national estimates from other countries is called "**mirror statistics**"**.** Since most non-resident visitors arriving in any European Union country come from other EU countries, Eurostat has repeatedly emphasized the usefulness of mirror statistics, which enable EU countries to estimate the number and characteristics of most inbound visitors using outbound tourism data provided by other countries in the sub region. While seemingly simple and attractive, mirror statistics present some challenging issues that may not have received sufficient attention from the countries using them (see Box 3.20 and case study concerning Austrian experience in using mirror data in the field of tourism and travel statistics). For example, if a country uses mirror statistics to estimate inbound visitor numbers from the outbound visitor numbers of a number of source countries then consistency in definitions (and preferably collection methodologies) between those countries is needed. Otherwise the data cannot be aggregated, or the characteristics of visitors from one source country cannot be compared with those of another source country. Also, where an outbound trip involves a number of destination countries, only the main destination country (however defined) may be recorded by the source country. This will result in underestimation of inbound visitors from those source countries in those countries which are only secondary destinations.

Box 3.20: Mirror statistics

"Measuring European intra-regional tourism flows", a paper written for the UNWTO Enzo Paci Papers on measuring the Economic Significance of Tourism, volume 4, by Teresa Ciller and Marion Libreros, discusses the challenge of reconciling the tourist flows reported by different countries, using available data. In terms of overall flows the differences have been significant. The paper highlights various possible solutions: the sharing of common definitions and methodologies; modifications to collection procedures and content, e.g. to determine the final destination of an outbound trip, but also to describe all other countries crossed before arriving at the final destination; and a high degree of disaggregation for each mode of transport used.

Source: *UNWTO, Enzo Paci Papers on Measuring the Economic Significance of Tourism, Volume 4*

Box 3.21: Case Study – Austrian experience in using mirror data

Austria uses mirror statistics from partner countries. In Europe where tourism has a predominantly intra-European dimension and where a legal framework obligates member states to transmit harmonized inbound supply side data and outbound demand side data, countries could greatly benefit from each other's data. On one hand, mirror data can fill data gaps where own data is not available and on the other hand, mirror data can be used to assess the quality and comparability of existing tourism data.

Since the use of mirror data is not unproblematic, challenges such as different methodologies, conceptual issues and definitions have to be taken into consideration. Nevertheless, when countries start working together a better harmonization of tourism statistics can be expected and duplicated observation of tourism flows might be avoided in the future.

Source: *Johanna Ostertag-Sydler, Austrian experience in using mirror data in the field of tourism and travel statistics, 2010*

C.2. Tables of results

3.97. The focus of the present *IRTS 2008 Compilation Guide* is to help countries implement the *IRTS 2008* and develop their national STS frameworks. Consequently, the data to be obtained should be classified using reference classifications (see Chapter 5) to help countries pursue both specific national purposes (much more detailed data) and international comparability.

3.98. Regarding international comparability, the following data set and indicators for inbound tourism will be requested annually by UNWTO from member and non-member countries and will be disseminated in the *Compendium of Tourism Statistics*, the Organization's most comprehensive statistical publication.

3.99. As a first approximation for tourism expenditure data country can use Balance of Payments data ("travel" and "passenger transport" items). This ensures a high degree of international comparability and the expenditure data included in UNWTO's *Compendium* are actually taken from the Balance of Payments. The Balance of Payments data are not tourism data per se; rather, they are used to approximate expenditure in the absence of tourism expenditure statistics (for the relationship between tourism statistics and Balance of Payments, *IRTS 2008, 8.10.* to *8.25.*).

3.100. As countries successfully develop their own measurements of tourism expenditure, it is expected that this approximated information will be replaced with data on actual tourism expenditure (separately identifying expenditure on international transportation).

Table 3.1: Example table of results – inbound tourism

COUNTRY X

	Basic data and indicators	Units	YEAR X
1.	**INBOUND TOURISM**		
	Data		
	Arrivals		
1.1	Total	('000)	..
1.2	♦ Overnight visitors (tourists)	('000)	..
1.3	♦ Same-day visitors (excursionists)	('000)	..
1.4	* of which, cruise passengers	('000)	..
	Arrivals by region		
1.5	Total	('000)	..
1.6	♦ Africa	('000)	..
1.7	♦ Americas	('000)	..
1.8	♦ East Asia and the Pacific	('000)	..
1.9	♦ Europe	('000)	..
1.10	♦ Middle East	('000)	..
1.11	♦ South Asia	('000)	..
1.12	♦ Other not classified	('000)	..
1.13	* of which, nationals residing abroad	('000)	..
	Arrivals by main purpose		
1.14	Total	('000)	..
1.15	♦ Personal	('000)	..
1.16	* holidays, leisure and recreation	('000)	..
1.17	* other personal purposes	('000)	..
1.18	♦ Business and professional	('000)	..
	Arrivals by mode of transport		
1.19	Total	('000)	..
1.20	♦ Air	('000)	..
1.21	♦ Water	('000)	..
1.22	♦ Land	('000)	..
1.23	* railway	('000)	..
1.24	* road	('000)	..
1.25	* others	('000)	..
	Arrivals by form of organization of the trip		
1.26	Total	('000)	..
1.27	♦ Package tour	('000)	..
1.28	♦ Other forms	('000)	..
	Accommodation		
	Total		
1.29	♦ Guests	('000)	..
1.30	♦ Overnights	('000)	..
	Hotels and similar establishments		
1.31	♦ Guests	('000)	..
1.32	♦ Overnights	('000)	..
	Expenditure		
1.33	Total	US$ Mn	..
1.34	♦ Travel	US$ Mn	..
1.35	♦ Passenger transport	US$ Mn	..
	Expenditure by main purpose of the trip		
1.36	Total	US$ Mn	..
1.37	♦ Personal	US$ Mn	..
1.38	♦ Business and professional	US$ Mn	..
	Indicators		
1.39	Average size of travel party	Persons	..
	Average length of stay		
1.40	Total	Days	..
1.41	♦ For all market accommodation services	Nights	..
1.42	* of which, "hotels and similar establishments"	Nights	..
1.43	♦ For non market accommodation services	Days	..
1.44	Average expenditure per day	US$	..

3.101. Apart from the data and indicators requested by UNWTO, countries are encouraged to generate and disseminate additional information useful to key tourism stakeholders (see paragraph 1.28), including:

- the number of trip (by visitors and by others travellers not visitors)[18] by supra-national regions of residence and main countries of interest;
- the number of tourism trips by tourists/excursionists classified by country of residence and main purpose of trip;
- the number of travellers (visitors and others) by country of residence, duration of stay (intervals), total number of overnights in each category and total;
- the number of guests and overnights per main form of accommodation and main purpose of trip;
- the number of visitors, cross-classified by various characteristics, including size of the travel party, purpose of visit, and form of accommodation (detailed); and
- the number of visitors (cross-classified by various characteristics) arriving as part of travel groups, as a proportion of the total number of visitors (country of residence and monthly or quarterly data might also be of interest).

3.102. In the case of statistics on inbound tourism, and also outbound tourism, it may be useful and user-friendly to produce tables of results and disseminate data together with Balance of Payments data.

Box 3.22: Country example – Arrivals and departure from Australia

OCTOBER KEY FIGURES

	Oct '13 '000	**Sep '13 to Oct '13** % change	**Oct '12 to Oct '13** % change
Short-term visitor arrivals			
Trend	548.4	0.8	5.1
Seasonally adjusted	545.5	-1.1	. .
Original	541.7	. .	. .
Short-term resident departures			
Trend	739.3	0.1	7.2
Seasonally adjusted	733.9	-1.3	. .
Original	679.9	. .	. .

Trend estimates: Short-term visitor arrivals during October 2013 (548,400 movements) increased 0.8% compared with September 2013 (544,300 movements). This followed monthly increases of 0.9% in August and 0.8% in September 2013. The current trend estimate for arrivals is 5.1% higher than in October 2012.

Seasonally adjusted estimates: During October 2013, short-term visitor arrivals (545,500 movements) recorded a decrease of 1.1% compared with September 2013 (551,700 movements). This followed a monthly increase of 2.2 in August and 1.8% in September 2013.

Original estimates: There were 541,700 short-term visitor arrivals to Australia in October 2013.

[18] The statistical unit is the trip: we shall speak of "visitor" meaning really a tourism trip, and a "traveler", meaning both tourism and non-tourism trips. However, the number of "non-tourism" trips will be difficult and prohibitively expensive to measure.

Box 3.23: Country example – UK Inbound Tourism Trends

The table below shows trends in inbound tourism for the period 2002 to 2012 based on the Office for National Statistics International Passenger Survey. The number of visits peaked in 2007 at 32.8 million, since when there were several years of slight decline followed by small increases in 2011 and 2012. After a long period during which the average spend per visit hovered at a little under £500 there has been a marked increase in the past four years, driven on by the relative weakness of sterling.

The long-term trend is for the average length of time each inbound visitor stays in the UK to decline. However the figure has been fairly stable for the past six years. In line with many other developed economies the UK has an international tourism balance of payments deficit. This increased both rapidly and consistently in the decade to 2008, but has shrunk by over a third in recent years as Britons took fewer overseas trips.

Headline Trends in Inbound Tourism to the UK
(2002-2012)

Year	Number of Visits (millions)	Spend (£ billions)	Average Spend per Visit	Average Nights per Visit	International Balance of Payments (£ billions)
2002	24.180	£11.737	£481	8.2	-£15.225
2003	24.715	£11.855	£475	8.2	-£16.695
2004	27.755	£13.047	£466	8.2	-£17.238
2005	29.971	£14.248	£471	8.3	-£17.906
2006	32.713	£16.002	£486	8.4	-£18.409
2007	32.778	£15.960	£487	7.7	-£19.053
2008	31.888	£16.323	£511	7.7	-£20.515
2009	29.889	£16.592	£554	7.7	-£15.102
2010	29.803	£16.899	£563	7.6	-£14.921
2011	30.798	£17.998	£584	7.6	-£13.703
2012	**31.084**	**£18.640**	**£600**	**7.4**	**-£13.810**

Source: www.visitbritain.org

Box 3.24: Country example – Austrian arrivals and overnight stays

Calendar year		2010		2011		2012	
		Absolute	Change on previous year (%)	Absolute	Change on previous year (%)	Absolute	Change on previous year (%)
Arrivals (in m)		33,4	*3,3*	34,6	*3,7*	36,2	*4,4*
Overnight stays (in m)		124,9	*0,5*	126,0	*0,9*	131,0	*4,0*
Thereof	residents	35,0	*1,7*	35,3	*0,8*	36,0	*1,9*
	non-residents	89,9	*0,0*	90,7	*0,9*	95,1	*4,8*
Thereof	Burgenland	2,9	*1,5*	1,2	*0,8*	2,9	*0,2*
	Carinthia	12,3	*-3,7*	2,1	*1,2*	12,6	*1,7*
	Lower Austria	6,5	*0,5*	7,3	*3,2*	6,7	*0,7*
	Upper Austria	6,7	*-1,8*	5,9	*3,4*	7,2	*3,9*
	Salzburg	23,9	*0,6*	2,3	*0,3*	25,2	*5,4*
	Styria	10,8	*1,1*	4,9	*1,8*	11,2	*1,7*
	Tyrol	42,8	*-0,5*	2,2	*-0,2*	44,3	*3,8*
	Vorarlberg	8,2	*0,1*	1,1	*-2,4*	8,5	*6,6*
	Vienna	10,9	*10,3*	8,3	*5,0*	12,6	*7,6*
Thereof	Germany	48,2	*-1,4*	47,4	*-1,6*	49,6	*4,7*
	Netherlands	9,1	*-4,0*	8,9	*-1,9*	9,4	*5,5*
	United Kingdom	3,3	*-0,3*	3,1	*-4,6*	3,2	*2,5*
	France	1,8	*2,7*	1,8	*2,7*	1,8	*-0,9*
	Belgium	2,5	*-2,6*	2,6	*4,1*	2,6	*0,7*
	Luxembourg	0,3	*3,5*	0,3	*6,2*	0,3	*-2,2*
	Italy	3,0	*0,2*	3,0	*-0,2*	2,9	*-3,2*
	USA	1,2	*11,9*	1,2	*-3,2*	1,3	*6,9*
	Switzerland	3,8	*4,3*	4,3	*12,6*	4,6	*6,6*
Thereof	5-/4-star accommodation establishments	44,1	*4,1*	44,9	*1,8*	46,8	*4,2*
	3-star accommodation establishments	26,8	*-0,2*	27,1	*1,2*	27,7	*2,2*
	2-/1-star accommodation establishments	10,5	*-3,7*	10,4	*-1,5*	10,7	*2,9*
	private accommodations	6,8	*-6,7*	6,6	*-3,9*	6,6	*-0,2*
	private holiday dwellings	14,1	*-0,3*	14,1	*-0,1*	14,9	*5,9*

source: STATISTICS AUSTRIA, Tourism Statistics

D. Domestic tourism

3.103. Domestic tourism differs from inbound tourism in ways that affect the procedures followed in observing them and the type of results obtained at national level:

- No specific geographical border is crossed, so no counts or equivalent measurement procedures are usually conducted. In specific cases, some countries have developed methods for counting vehicle flows (translated into flows of persons) entering or leaving a closed (or nearly closed) area (a place, usually a city), to simulate a border. Such procedures can measure visits to specific places (destination analysis), but not all domestic tourism trips.

- Data on domestic same-day visits may pose a particular challenge, reflecting recall problems (when the data is collected by the recommended methodology, i.e. by way of household surveys) and the difficulty of providing in summary terms the precise criteria for the trips to be included.
- It should also be possible for countries to approach residents to generate statistics on their tourism behaviour during a past reference period. This is not easy in the case of non-residents taking trips in the country of reference, who cannot be approached for interviews after the trip is over. However, they can be given a questionnaire to complete after they return home or be approached in their country of origin if a contract address is available (see also Box 3.19).
- Because residents can always be approached, entire domestic trips (round-trips) can be observed and information obtained on different legs of the trips and the different places visited, whether within the country or outside it, as part of the same trip.
- In addition to round trips, domestic tourism also includes fractions of outbound tourism (see paragraph 2.106 and *IRTS 2008, 2.39.*). This would happen, for example, where a domestic visitor takes a trip to a destination which is close to a border with another country and that visitor crosses the border, say, perhaps for a day trip.
- National Tourism Administrations are also often interested in measuring those who did not travel in a given period, identifying their personal characteristics and those of their households and determining their reasons for not travelling. This can easily be done for domestic and outbound tourism (see Box 3.31 and Section D.2.2.1 for discussion on differences in propensity to travel), and with more efforts also for inbound tourism.

Box 3.25: Case study – Compilation of same-day trips in Austria

At Statistics Austria the information about domestic and outbound same-day visits is compiled by using a demand side approach. Every quarter 3 500 representatively chosen individuals living in Austria are questioned about their travel behaviour. Regarding the domestic same-day visits only the number of trips for leisure and business purposes is collected, while a lot more information is surveyed concerning same-day visits abroad. For these, the profile of the traveller (socio-demographical information) and the profile of the trip (destination, purpose, transportation, accompanying household members and expenditures) are surveyed.

The main challenges concerning the compilation of same-day visits are the recall problem and the coverage. Another issue that has to be taken into consideration is the definition of same-day visits, since it is particularly difficult to define applicable and comparable distance and frequency thresholds concerning same-day trips when a person is to be considered outside of his/her usual environment.

Source*: Laimer and Ostertag, Methodological issues concerning the compilation of same-day trips in Austria, 2008*

3.104. As in the case of inbound tourism, countries either use a two-phase process of observation (see paragraphs 3.26) or observe all the variables simultaneously. In both cases, they are based on household surveys, either as a module within a general purpose survey or as a specific tourism statistical operation. In some countries, such as France, a permanent panel continuously monitors the travel behaviour of residents (domestic visitors). In Canada, the domestic travel survey is a supplementary survey piggybacked on the monthly Labour Force Survey. Countries might also use interviews of individuals, selected on the basis of population registers. Austria, for instance, conducts telephone interviews using this approach.

Box 3.26: Country example – Obtaining information about those who did not visit the country

The Canadian Tourism Commission (CTC), as Canada's NTA, does measure prospective travellers who did not or are not planning to travel in a given period through our Global Tourism Watch survey. CTC does this for domestic travel (Canadians propensity to travel out of region within Canada), for outbound international travel from Canada's key markets (barrier to travel internationally) and for inbound travel to Canada (travel barriers to Canada).

The last point is important since it enables CTC to identify why people may be travelling outbound, but bypassing Canada. What are the reasons and which of those reasons can we act upon through targeting marketing activities.

The CTC (like most NTOs) is in the business of promoting Canada as a desirable tourism destination and seeks to increase export revenue by actively promoting Canada in selected international markets. So understanding the barrier to travel to Canada is a critical component of marketing strategies.

Source: *Canadian Tourism Commission*

3.105. UNWTO (2010) in cooperation with ILO made proposals on this subject and United Nations Statistics Division and other international organizations have also issued manuals and guidance materials on HI/ES.

3.106. If lacking household surveys, countries should try for the time being to use supply-side accommodation data to estimate, at least, the number of resident visitors staying at market establishments providing accommodation services. However, this method is unreliable in countries where most of domestic flows are same-day visitors and where most of domestic tourists do not use commercial accommodation which is the case in many countries.

D.1. Household type surveys: a general overview

3.107. This heading refers to all procedures for asking residents, while present in their usual environment (usually in their home), about the trips they have taken, after the completion of such trips, during a specific reference period, e.g. the past month. The recommended methodology is by way of household survey which may be a stand-alone survey specifically and only designed to collect tourism data, or it may be by way of a module included in a wider already existing survey, such as a household income and expenditure survey (HI/ES) (*IRTS 2008, 3.41. and 4.31.*) Surveys can be conducted for this purpose on the basis of the selection of households (the most frequent case), but some countries (such as Austria) select individuals directly from a general database of residents and conduct the interview by telephone (CATI). It must be underlined that surveying households is only used in this context as a means of selecting resident individuals[19]; the household as such is usually not an observation unit, only a selection unit (see exception in Box 3.31).

3.108. Such surveys are conducted by way of face-to-face interviews or by telephone surveys. Countries which had achieved high-penetration of land-line telephones in households found that telephone surveys considerably reduced the cost by avoiding the need to physically send interviewers around the country. However, in recent years the rapid growth of mobile (cell) phones and the associated lower penetration of land-lines in households is resulting in concerns about the representativeness of such a methodology. If interviewing is only

[19] The individuals are also collection units as they might take more than one tourism trip during the reference period.

conducted by way of land-lines and not mobile phones there could be a serious biasin the sample, e.g. an underrepresentation of younger people who have a higher propensity to only use a mobile phone.

Box 3.27: Country Experience – Representativeness of CATI in Austria

For reasons of representativeness the gross sample for the Austrian demand side survey is drawn from the Central Registration Register of the Ministry of Interior which allows a stratified random selection. For the persons in the gross sample, telephone numbers are looked up in the official telephone book, by linking it concerning last name and address. The official telephone book covers land-line as well as cell phone numbers. But due to a growing number of confidential numbers (being registered in a telephone book is not required anymore in Austria) and the replacement of land lines by cell phone numbers not open to the public, no telephone numbers can be found for approximately 50% (2011) of the persons in the gross sample. Bias is likely due to the fact that persons with no telephone numbers available in the official telephone book cannot be covered.

Source: *Statistics Austria*

Box 3.28: Case study – Mobile phone sampling in Australia

In 2013, Tourism Research Australia (TRA) pilot-tested mobile phone sampling for their National Visitor Survey (NVS). Full-scale sampling will commence at the beginning of 2014, with the mobile phone component being 50 per cent of the total sample in that first year. The pilot testing (800 interviews) showed that response rates were similar to those in the existing landline sample, and there were surprisingly few concerns from respondents about being contacted on their mobile phone.
As the NVS will be an "overlapping dual-frame" survey from 2014 onwards, the sampling and weighting become more complicated, and this creates potential for problems. TRA has invested considerable resources to ensure the sample design is appropriate, and that the new weighting process is tested and well-understood.

Source: *Australian Bureau of Statistics*

3.109. As mentioned in Section B.2 the frequency of household type surveys is basically an issue of cost, but other factors, relating to the characteristics of resident visitors and their tourism trips, should also be considered when defining the frequency of observation.

3.110. Countries may try to establish the characteristics of trips and persons taking trips separately or with frequencies that differ from that used in the measurement of associated expenditures. Domestic tourism flows should be measured with high frequency (monthly or even more frequently in specific periods such as high season, since their characteristics tend to fluctuate significantly throughout the year (seasonality) (see paragraphs 3.18. – 3.19.) and, although to a lesser extent, from year to year. The average expenditure per person or per person per day associated with each characteristic of a tourism trip, on the other hand, tend to be less volatile. They can be observed less frequently (e.g. every 3 to 5 years) and extrapolated using relevant price indices once the volume and characteristics of the trips are clearly established. The advantage of this approach is that, because collection of good quality expenditure data is difficult, it can add considerable cost of the survey when included 8and conversely, reduce the cost when not included).

Box 3.29: Country example – Selection of trips in Canada's travel survey

In Canada's domestic travel survey (*Travel Survey of Residents of Canada* – TSRC), one adult is selected at random from each surveyed household. At the beginning of the interview a roster is created consisting of all trips that ended during the first and second month by the respondent.

The collected information is on: main destination, main reason, duration, when trip ended, number of household members on the trip and mode of transportation.

The roster collects information on domestic trips and on the Canadian portion of international trips. A summary screen of the trip information collected in the roster is available to the interviewer for verification during the interview.

From the trips roster, between one and three in-scope trips are randomly selected and information on these trip details are asked: secondary mode of transportation, travel party, expenditures, activities done while on the trip as well as locations and accommodations for overnight trips.

The sub-selection of the trip is based on an algorithm that takes into account the nature of the trips: reference month, inter vs. intra provincial, overnight vs. same day, and number of identical trips.

Source: *Statistics Canada*

3.111. Apart from other particularities (see next Section D.2), the following issues arise in the use of household surveys for purposes of tourism:

- As all trips have a specific duration, with a beginning date and a final date, it is necessary to define which are the trips that have to be taken into consideration in the count, and which should be the duration to be reported. As was previously explained in paragraph 3.68, the period of reference of the observation and the period of occurrence of a trip might not coincide. Because individuals can only report on trips that have terminated, the universe of domestic or outbound trips to be reported refers to trips that terminated in the period of reference, irrespective of their date of initiation: with this criterion, all trips will be reported (once only), and their reported duration should be the actual duration of absence from the usual environment, irrespective of the date in which they commenced the trip. This means that the actual duration of a reported trip might be longer than the period of reference;
- The number and characteristics of domestic trips taken during the period of reference need to be ascertained for each person interviewed, and distinction has to be made between tourism and non-tourism trips; this provides information to set up the universe of trips;
- Complete information can be collected only on trips completed during the period of reference (irrespective of their starting date). This needs to be clearly stated when the interviews are conducted; these characteristics will then be extrapolated statistically to the whole universe of trips taking into consideration the fact that in a reference period, some individuals might terminate more than one trip;
- The characteristics that need to be observed relate to the frequency of similar types of trip, the duration of the observed trip, its purpose and distance travelled. Questions should be formulated to permit easy identification of the cases described below. If possible, respondents should not themselves be allowed to identify which trips are tourism trips, which the general public tends to equate with recreational travel. Only round trips in which travellers leave their usual environments (see Chapter 2, Section B.2 and *IRTS 2008 Chapter 2, Section B.4.*) should be considered tourism trips. The following trips should *not* be considered tourism trips:

i. Trips between the place of residence and place of work or study of the respondent;

ii. Frequent trips (once or more a week) for shopping, family visits, religious purposes, health and medical care, education and training, etc.;

iii. Domestic trips to stay in a destination more than a year, which imply a change in place of residence;

iv. Domestic trips to a place in order to take a non-permanent, short-term job and be paid by an entity in the place visited (*IRTS 2008, 2.35.* to *2.38.*); if the job is permanent and the individual moves frequently and repeatedly between this place of work and the place of residence of the household, the trip is not a tourism trip either, since the individual is moving between two locations that are both part of his/her usual environment (*IRTS 2008, 2.25.*);

v. Domestic trips within a very short distance (whether measured in terms of distance or because they do not involve crossing of administrative borders) from the household's main place of residence (treated as within the usual environment (*IRTS 2008, 2.52.*).

- On the other hand, trips to vacation homes *should* be considered tourism trips (see paragraph 2.25. and *IRTS 2008, 2.28.*). In countries where such trips are frequent, their detailed characteristics might call for a specific sub-module in the survey questionnaire. This module on vacation homes might be interesting not only when trips to these homes are frequent, but also when those vacation homes are used during quite a long period of time. For instance, the household moves for the whole summer season to a vacation home on the countryside located in another municipality close to the main one. Parents go to work every day from the vacation house and children stay there with their grandparents. We could even be tempted to say that the vacation home becomes the main dwelling for that period. (However, we do not treat it as such in tourism statistics.) While many trips – tourism or otherwise – may be made while a person is staying at his/her vacation home only one tourism trip should be recorded, i.e. the stay at the vacation home.

- For each trip identified as a tourism trip, it is necessary to determine whether the visitor travelled alone, or with other members of his/her household (if a whole household has been selected) – or members of other households – within a travel party.

- Depending on the expected number of trips to be reported for each household (having taken at least one tourism trip during the period), the characteristics of such trips can be observed:

  i. for all trips taken by household members during the reference period (if short); or

  ii. for all trips taken by one selected member of the household during the reference period (also if short); or

  iii. for one trip taken by one selected household member during the reference period (usually the last trip, or one selected at random).

  iv. or another combination of trip and household member, see Box 3.29.

- Where a household (or the individual being interviewed) has taken more than one in-scope trip during the reference period, a methodology used by some countries is to only collect details of one trip (usually the last one taken) but to count the total

number of trips taken. This data would then be used in the sample expansion process to estimate the total number of trips taken.

3.112. Besides the personal characteristics of the person taking the trip and eventually of the travel party, that are all characteristics attached to the trip, the following additional characteristics should be observed:

i. *Duration of the trip,* in terms of overnights away from the usual environment. For trips entailing no overnights, the number of hours (classified in relevant groupings) might be of interest.

ii. *The destination* or place visited that is central to the decision to take the trip (see paragraph 2.80 and *IRTS 2008, 2.31.*).

iii. *The places visited during the trip* (necessarily a round-trip), including the length of stay (overnights or hours) in each place and the type of accommodation used, if relevant. Such places can be defined as regions (if the country of reference is so divided), cities, specific tourism destinations or any other national subdivision identified for analytical purposes.

iv. The types of accommodation to be determined (see Chapter 2, Section C.1.6 and *IRTS 2008, 3.35* to *3.38.*) should at a minimum separate market from non-market accommodation and be consistent with the classifications used for the characterization of inbound tourism and supply of accommodation services.

v. *The main mode of transport used,* defined as the one used to travel the greatest distance (*IRTS 2008, 3.32.*). Secondary modes of transport might also be identified (see Chapter 2, Section C.1.5).

vi. *The main purpose of the trip*: its classification should be aligned to the international recommendation (see Chapter 2, Section C.1.1 and *IRTS 2008, 3.10.* to *3.20.*). Some countries might find it relevant to ask for the main purpose and secondary activities, for the trip as a whole or for each place visited, information which may be of interest for sub-national tourism analysis. However, countries should be aware that collecting information on purpose and even multiple reasons for different visits that make up a trip is interesting, but it would be extremely burdensome to put this into practice and seriously risks adversely affecting quality of responses.

3.113. Same-day trips and trips to vacation homes should be identified separately and given special treatment within a specific sub-module.

D.2. Household type surveys: learning from experience

3.114. Most of the experience in using household surveys to measure and analyse the tourism behaviour of resident populations has occurred in countries with highly developed statistical infrastructure. But increasingly, some of the less advanced countries are also recognizing the importance of domestic tourism for their economies – often greater than inbound tourism in terms of tourism consumption – and are beginning to adopt such statistical procedures as well.

3.115. Countries have been using the following procedures to measure domestic tourism:

- Specifically designed surveys to estimate the tourism activity of the resident population through comprehensive questionnaires or light telephone surveys (CATI). Questions in the latter case need to be simpler and more direct.
- The inclusion of a "tourism module" – a set of interconnected questions to learn more about certain characteristics of visitor behaviour – as part of a multipurpose survey (HI/ES or other continuous surveys), sometimes based on a panel. Such modules (see paragraph 3.107) could also include an articulated set of questions about trips to vacation homes or for specific purposes – such as health and medical care or education and training.

3.116. Domestic tourism can also be observed using the procedures described for dealing with inbound tourism: surveys at accommodation establishments or at popular tourism sites (see Section C.1.6.2). Nevertheless, as in the case of inbound tourism, some trips (e.g. in which visitors neither use market accommodation establishments nor visit popular tourism sites) cannot be captured through such procedures. Additionally, information can only be obtained on certain segments of a trip, but not on the trip as a whole.

Box 3.30: Egypt: 2009 Domestic Tourism Survey

Number of rounds: 4
Sample size of each round:
- 6000 households distributed to represent all governorates of Egypt. Total numbers of households are 24,000 households.
- 500 non-Egyptian resident households

Coverage or reference period: three months prior to the round
Dates of rounds: April 09, July 09, October 09, January 10
Units of analysis:
- Household
- Household member
- Trip

Weighting method:
- The 2006 population census is used and number of households and population size are projected to cover 2009 (the reference year)
- Average expenditure on domestic tourism per household member from the survey is applied to the projected population size in 2009 to estimate the weighted total expenditure on domestic tourism per round.

Source: *Ministry of Tourism of Egypt, TSA in Egypt: Final Report, 2011*

3.117. Based on the experience to date, the design of surveys to generate tourism statistics should take into account the following characteristics of tourism behaviour: tourism movements are unevenly distributed over the national territory (people living in cities often move about more than their rural counterparts); higher income persons tend to travel more than lower income persons; persons who own vacation homes take frequent trips to those homes; specific instruments may be needed for frequent same-day visits; and the number of persons having taken a tourism trip in a given period of time might be small, so the number of households to be observed needs to be sufficiently large to ensure a reasonable number of observations. Some of these aspects will be developed in the following sections.

D.2.1. Issues specific to the observation of domestic tourism using households surveys

3.118. In the design of questionnaires and in processing the information collected, it is important to keep in mind that tourism is an activity engaged in by individuals, not the households to which they belong. The household is used only as a cluster through which individuals can be observed, since every individual belongs to one household and only one. The individual is also a certain type of cluster as individuals can take more than one trip in the period of reference, and the statistical unit is the trip. There are certain exceptions in the case of collective households (hospitals, prisons, convalescent homes, homes for the elderly), but members of such households are assumed not to travel and are de facto excluded from the frame.

3.119. This generates some specificities in the design of the questionnaire and in the extraction and tabulation of information as compared to the usual procedure for household surveys: all trips should be counted, and in the case of various members of a household travelling together, the counts should include as many trips as persons travelling, and each of the trips should be characterized.

3.120. Persons in a travel party who are not part of the same household should be excluded from the count, since their probability of selection in the sample is different and is related to that of the household to which they belong (see paragraphs 2.46 – 2.47). They should be taken into account, however, in determining the average value of each item of the common expenditure.

3.121. It might also be interesting to associate with tourism trips, in addition to the individual's characteristics, those of the household to which he/she belongs: the economic activities of its members, level of income, level of education, etc.

Box 3.31: Characterizing the households to which persons taking trips belong

Tourism is a phenomenon which is usually analysed from both an individual (visitors) and number of events (trips/nights) point of view. However, it can also be studied from another important perspective: travelling households.

In this paper, domestic and outbound tourism flows of residents in Italy are analysed from the demand side, making use of data produced through a CATI quarterly telephone survey called 'Holidays and Trips', carried out by ISTAT (the Italian National Statistical Office).

By applying a specific data procedure that identifies the household typologies and by analysing the kinship relations in the nucleus, households become the core of the tourism flows, therefore, making it possible to study their strategic role and how they affect this sector of the national economy. As a matter of fact, travel behaviours seen from a household's point of view may present characteristics that can reveal new features of tourism demand.

Source: *Baiocchi and Dattilo, Italian Households on Travel: Who are they? Where, when and how do they travel? , 2008*

D.2.2. Factors affecting statistical design and the grossing up of the sample

3.122. This section examines some of the factors affecting the quality and significance of data collected through household surveys for the purpose of measuring domestic tourism. In view of these factors, it is strongly recommend that countries where NTAs have limited statistical experience entrust the statistical design of such surveys to their NSOs.

3.123. The statistical design of the sample should take into consideration various factors, as summarized below.

D.2.2.1 Propensity to travel is not evenly spread throughout the territory, among households or over time

3.124. Not all residents of a country will have the same propensity to travel, and the sample design should take this reality into account if the objective is to analyze behaviour as it relates to other factors.

3.125. For instance, it is clearly harder for persons involved in agriculture or animal husbandry to leave their usual environment for any extended period of time, given the demands of their daily tasks. Such persons will tend to travel less for tourism than others, at least during periods of major agricultural activity. On the other hand, persons living in urban environments will tend to travel more, to escape their possibly stressful and unhealthy surroundings – and also because they live in an environment where holiday travel is a way of life.

3.126. High income persons usually have a higher propensity to travel for recreation, conferences, etc. than the rest of the population.

Box 3.32: Researching propensity to travel from surveys of domestic tourism to households in Argentina

In Argentina, the Household Travel and Tourism Survey (EVyTH), which comprises the biggest urban cities of the country where 25 million people live, registered 29 million tourists in 2012. This result implies a ratio of about 1.2 tourists per inhabitant. However, not all residents travelled during the year and some of the travellers made more than one trip.

In order to estimate what proportion of the population made at least one overnight trip, a special module is implement along the EVyTH during February and May of each year, intended to register the number of people who made at least one overnight trip in the previous calendar year.

Thus, for 2012, after surveying 10,000 households composed of over 30 thousand persons, the EVyTH concluded that 43.6 % of the population made an overnight trip. From this survey it was also analyzed how this ratio varied according with different socioeconomic characteristics; such as region of residence, gender and age, educational level, income level, economic activity status, etc.

For example, the gaps in access to tourism expenditure were compared by looking at the 20% of the population with the highest income (highest quintile) to the 20% of the population with the lower income (lowest quintile). The following table shows the share of the highest quintile (Q5) and the lowest quintile (Q1) along the total number of tourists, same-day visitors and tourist expenditure for the years 2006 and 2012. In that year, the share of the highest compared to the lowest quintile is 5.0 times higher in the flow of tourists, 2.6 times for same-day visitors and 9.0 times higher in the whole tourism expenditure. During time gap between those two years, the decline in the inequality of income distribution observed in Argentina had a clear correlation with the decline in inequality in access to tourism.

Unit of Tourism consumption	year 2006			year2012		
	Ratio			Ratio		
	Q5	Q1	**Gap (= Q5/Q1)**	Q5	Q1	**Gap (= Q5/Q1)**
Tourist	46,4%	6,1%	**7,6**	39,1%	7,8%	**5,0**
Same-day visitors	35,0%	8,3%	**4,2**	29,9%	11,5%	**2,6**
Expenditure	66,8%	2,6%	**25,8**	52,0%	5,8%	**9,0**
Per capita Income			***13,6***			***9,8***

Moreover, the EVyTH makes it possible to look at cases where people answered that they had not done an overnight trip during the previous year, to investigate the main reason for taking this decision, allowing gathering key data to plan public policies in order to incentivize domestic tourism.

In the case of household surveys based on other methodologies different from the one used for the EVyTH (i.e., independent random samples), such as tracking a panel sample throughout a calendar year (i.e.: the Spanish "FAMILITUR") or just a single annual data survey using the full previous year as reference period (this was the EVyTH previous methodology which was applied only in 2006), travel information for each person (with or without overnight trips) may be recreated from tourist trips collected during the survey. Eventually, upon detecting that a person did not travel throughout the previous year, it could be included a question about the reasons that led her or him not to travel.

Source: *Ministry of Tourism of Argentina, 2013*
For more information, see the e-document of the Compilation Guide

3.127. It should also be recalled that travel for tourism purposes, be it for recreation, visits to family and friends, religious purposes or even business, is not evenly spread over the year. In every country there are periods that are particularly important – for family festivities (Christmas, Thanksgiving in the United States, the New Year in Asian countries), religious celebrations on specific dates, the winter sports season, or summer (associated with recreation). Tourism statistics should mirror this seasonality. As a consequence, measurements need to be adjusted to account for high and low seasons.

3.128. Such particularities might need to be considered in designing the sample, to ensure that a sufficient number of useful records are obtained to answer related questions. Visiting a household in which nobody has travelled in the period of reference might be seen as lost money, however, can give valuables information about factors hindering tourism trips.

Box 3.33: The use of a panel design

Some countries have adopted a panel design, in which a fixed number of households are selected and invited to respond to a questionnaire on travel during various consecutive periods (usually every month for three to six months). Each month, a fixed number of the selected households is renewed so that, during any given month there will be a fixed number of repeating households and a fixed (but smaller) number of new households (as occurs in France and Austria, for instance). This design is usually cheaper and easier to manage, and the responses are usually of better quality since households are given more time to understand the questions. Nevertheless, in the case of tourism the persons concerned, by definition, are not always at home to be interviewed regularly, creating potential for bias: those who travel more will be less available to answer the questionnaire. This could result in an underestimation of travel activity. On the other hand, an analysis of respondents conducted in Austria, in 2005, showed, on the contrary, that non-travellers had a greater tendency to withdraw from panel participation than frequent travellers, tending to offset such bias.

With respect to the cost of panel design, the mortality of panel members and the cost of replacing them also need to be taken into account.

D.2.2.2 Achieving the required number of in-scope trips

3.129. In many countries, the number of households in which at least one member has taken a trip during a short period of time (such as a month) may be quite limited.

3.130. Three solutions are possible in such cases:

- taking a larger sample of households so as to obtain a sufficient number of observations to characterize tourism, an efficient but sometimes costly solution (on the

other hand, it is important to know how many persons belong to households whose members never travel); or

- having a statistical design that takes into consideration the previously mentioned situation that propensity to travel is not evenly spread: this would lead to define different sampling factors into different predefined clusters, such as urban population vs rural population, higher income households vs. lower income households, etc.
- expanding the period of reference, e.g. asking about trips taken during the past quarter (some countries even extend the period to a year) rather than restricting the question to the past month.

3.131. This last solution might be appealing, since it allows a much larger number of observed trips to be included (and it is less resource intensive than the other ones), but it also has drawbacks, which have been extensively studied by various analysts and compilers (see Box 3.34).

Box 3.34: Research on the effect of expanding the period of reference for reporting tourism trips – the case of Spain

Research carried out by the Spanish Instituto de Estudios Turísticos (IET) confirms how relying on a respondent's memory for information covered by a domestic and outbound tourism survey can cause two distinct types of errors entirely unrelated to sampling, that have often opposite signs:

- *Telescopic error:* the actual date of an event (an expense, a trip) is unconsciously and erroneously moved up to a more recent date.
- *Pure memory effect:* an event that in fact occurred during the observation period is simply omitted, because, subjectively, by the time of the interview, it seems to have occurred long before.

The IET developed a complex observation methodology using three overlapping samples, in which respondents were asked about trips taken three months, two months and one month before being contacted. As a result of this study, it appears very clearly that the longer the delay in contacting respondents after the observation period, the fewer the trips they report.
For example, three statistically validated measurements for the number of trips taken in June 2006 by residents of Spain are as follows:

- 12,991,044 if observed in July
- 12,745,211 if observed in August
- 12,247,920 if observed in September

Source: *Instituto de Estudios Turísticos, Guardia and Garcia, Memory Effect in the Spanish Domestic and Outbound Tourism Survey (FAMILITUR), 2008*

3.132. It is therefore recommended that countries refrain from using long observation periods, notwithstanding their apparent advantage of bringing more trips to light than shorter periods, because of the memory effects, which can be extremely important[20]. Another consideration is the seasonal character of tourism, which makes it necessary to repeat the observation process various times a year. Testing for the existence and extent of recall bias and adjusting for it (if warranted) is a useful practice in any country.

3.133. In short, unique observations (e.g. during one month, for the purpose of analyzing tourism for an entire year) should be avoided. Observations should be made repeatedly throughout the

[20] In the case of Colombia, the 2003 Domestic Tourism Survey in which the period of reference was a whole year, it was observed that the propensity to travel was approximately 3 times less than that observed in other countries of the region.

year, each observation covering a short period of time. Overlapping measurements could help to get a sense of any recall bias (if the measurement is done so as to provide a good estimate of the number of trips). In the case of CATI, sending an information letter to respondents beforehand could help to reduce the recall effect.

3.134. Recall problems do not only relate to remembering the taking of a trip. Even if a trip, taken some considerable time ago, is remembered by the interviewee, it will be difficult to remember details of that trip the longer ago it was. This is particularly so in relation to obtaining good data on details of expenditure. Such recall is even more a problem for people remembering day-trips and details of those trips.

D.2.2.3 Calibration

3.135. Calibration refers to the statistical process by which sample characteristics expected to have a major effects on the results of a survey (the travel behaviour) are aligned with the same characteristics in the universe. A good calibration process requires reliable and up-to-date knowledge of the universe's relevant characteristics and selection of the right ones, i.e. those that correlate closely with the variables being observed. But these conditions are not always present. Some population registers from which samples are selected are incomplete (young people or immigrants might be missing, for instance). Accordingly, one of the first processes that need to be implemented is to complete the information related to the universe of selection.

D.2.3. Making tourism understandable to interviewers

3.136. Other points to be considered in designing observation procedures include the following:

- Questionnaires should not be difficult to understand; respondents should be able to complete them without assistance from an interviewer. In conducting interviews by telephone (CATI), as many do for cost reasons, countries should consider the need for:
  - Guidelines for interviewers;
  - The addition of dynamic texts in CATI, so that interviewers can better guide respondents through the questionnaire, with regular reminders about key or difficult concepts;
  - Training for interviewers;
  - Supervision;
  - The incorporation of plausibility checks as part of the questionnaire.

Box 3.35: Country Experience – Reporting system in Austria

In Austria standardized reports on interviewers are used to check the quality of the computer assisted telephone interviews. The reporting system enables standardized reports on agent level. The reports concerning the log times, the response time, etc. can be used to detect interviewers that do not work correct (e.g. interviewers that did not read the entire standardized text). Additional random quality checks (e.g. listening to the audio files or dummy calls) are also conducted.

Source: *Statistics Austria*

- In the case of face-to-face interviewing the completion of questionnaires may require several visits by the interviewer. On the first visit, the persons available to provide details of the household's characteristics may not be familiar with the travel activities of

other household members not present at the time. Interviewers sometimes must return for such details.

D.3. Table of results

3.137. Since the aim of this *Compilation Guide* is to help countries implement *IRTS 2008* and develop a national *STS*, the data to be obtained should be classified with reference to the standard frameworks described in chapter 5, to serve national purposes but also ensure international comparability. The data for national purposes will be much more detailed.

3.138. For the purposes of international comparability, UNWTO annually requests from member and non-member countries, and then disseminates in the *Compendium of Tourism Statistics*, the data set and indicators for domestic tourism.

Table 3.2: Example table of results – domestic tourism

COUNTRY X

	Basic data and indicators	Units	YEAR X
2.	**DOMESTIC TOURISM**		
	Data		
	Trips		
2.1	Total	('000)	..
2.2	♦ Overnight visitors (tourists)	('000)	..
2.3	♦ Same-day visitors (excursionists)	('000)	..
	Trips by main purpose		
2.4	Total	('000)	..
2.5	♦ Personal	('000)	..
2.6	* holidays, leisure and recreation	('000)	..
2.7	* other personal purposes	('000)	..
2.8	♦ Business and professional	('000)	..
	Trips by mode of transport		
2.9	Total	('000)	..
2.10	♦ Air	('000)	..
2.11	♦ Water	('000)	..
2.12	♦ Land	('000)	..
2.13	* railway	('000)	..
2.14	* road	('000)	..
2.15	* others	('000)	..
	Trips by form of organization		
2.16	Total	('000)	..
2.17	♦ Package tour	('000)	..
2.18	♦ Other forms	('000)	..
	Accommodation		
	Total		
2.19	♦ Guests	('000)	..
2.20	♦ Overnights	('000)	..
	Hotels and similar establishments		
2.21	♦ Guests	('000)	..
2.22	♦ Overnights	('000)	..
	Indicators		
2.23	Average size of travel party	Persons	..
	Average length of stay		
2.24	Total	Days	..
2.25	♦ For all market accommodation services	Nights	..
2.26	* of which, "hotels and similar establishments"	Nights	..
2.27	♦ For non market accommodation services	Days	..
2.28	Average expenditure per day	US$	..

3.139. Because they are aggregated, these data can be difficult to use for some national decision-making purposes. A decrease in total tourism expenditure expressed in US dollars, for instance, could be attributed to different causes, such as a depreciation of the US dollar or a change in the composition of visitors. For national policy purposes, detailed data is needed to elucidate such causes, as indicated previously (see paragraph 3.101).

3.140. More detailed classifications (e.g. covering forms of accommodation, purposes of visit, etc.) may also be useful for national purposes.

Box 3.36: Country example – Trips by Canadians in Canada, by province and territory

	2011
	Person-trips (destination)
	thousands
Canada	**317,021**
Newfoundland and Labrador	4,314
Prince Edward Island	1,386
Nova Scotia	9,812
New Brunswick	7,300
Quebec	83,739
Ontario	123,926
Manitoba	10,191
Saskatchewan	11,355
Alberta	33,162
British Columbia	31,756
Yukon/Northwest Territories/Nunavut	81[E]

[E] : use with caution.
Notes:
Estimates are based on the 2006 Census population counts.
Includes same day and overnight trips.
Same day trip: distance 40 km or more one-way.
Source: Statistics Canada, CANSIM, table 426-0018.
Last modified: 2013-04-26.

Box 3.37: Country example – Number of Trips, Overnights and Expenditures of Domestic Visitors in Turkey

					Expenditures			
Year	Quarter	Number of Trips (Thousand)	Number of Overnights (Thousand)	Average Number of Overnights	Total Expenditures (Thousand TL)	Package Tour Expenditures (Thousand TL)	Individual Expenditures (Thousand TL)	Average Expenditures per Trips (TL)
2012	I	11 058	78 805	7.1	2 241 204	51 554	2 189 650	203
	II	14 652	107 829	7.4	3 703 031	226 328	3 476 702	253
	III	25 474	278 720	10.9	7 663 799	571 438	7 092 361	301
	IV	13 738	91 448	6.7	3 117 001	83 115	3 033 886	227
	Annual	64 922	556 803	8.6	16 725 035	932 435	15 792 600	258
2013	I	11 972	84 372	7.0	2 461 783	75 553	2 386 230	206

Box 3.38: Country example – New Zealand Domestic Travel Trends

Dometic Trips	2004	2005	2006	2007	2008
Total	44,142,000	45,762,000	44,210,000	42,229,000	43,387,000
Holiday	17,396,000	17,641,000	17,526,000	16,995,000	17,723,000
VFR	13,152,000	13,167,000	13,144,000	12,706,000	14,135,000
Business	10,473,000	11,130,000	10,722,000	10,624,000	9,175,000
Other	3,121,000	3,824,000	2,818,000	1,903,000	2,354,000
Day Trips	29,087,000	31,500,000	29,471,000	27,333,000	28,322,000
Overnight Trips	15,055,000	14,263,000	14,739,000	14,896,000	15,064,000

E. Outbound tourism

3.141. Defined as the tourism activity of a country's residents outside its economic territory, outbound tourism can be observed in two ways, by taking the same approach as for either inbound tourism (that is, at or near the border, see paragraph 3.10), or domestic tourism (once the trip is concluded, using a household survey, see previous Section D). In the first case, adjustments might be required, since the object of observation, an outbound visit, might be part of either an outbound or a domestic trip.

3.142. As in the case of inbound tourism, Balance of Payments compilers will be interested in establishing the characteristics of all resident outbound travel, and combining resources within an inter-institutional platform will foster quality measurement.

3.143. Countries often leave the observation of outbound tourism in general to a later stage, than that for inbound and domestic tourism. This is because its impact on the local economy is felt as a "loss" (an import), since the corresponding economic transactions occur between a resident visitor and a non-resident service provider. However, if, within a tourism promotion policy, national travellers are to be encouraged to select domestic destinations, the reasons for their choice of foreign travel need to be understood.

3.144. Most of the observations and recommendations made previously for the observation of inbound and domestic tourism are also valid in the case of outbound tourism. Obviously, some of the recommendations for inbound tourism will need to be inverted. In phase one, for instance, the flows referred to should be observed as resident travellers leave the country, and the characteristics of their trips should be observed when, or after, they return, i.e. on completion of their trip.

3.145. Points made with respect to inbound tourism – about the typology of modes of transport for entering or leaving a country (see Section C.1.1), about complex conceptual and statistical issues arising in specific situations (see Section C.1.2) and about the main statistical sources used (see Section C.1.6) – are valid here as well.

3.146. If appropriate and feasible, countries could conduct observation procedures for outbound tourism both at the border and through household surveys, simultaneously, with the aim of comparing the results obtained in each case. Such exercises could provide some critical insight into the procedures used to measure outbound tourism. Big differences might be found, for instance, in the number of trips or in the measurement of outbound vs. inbound tourism, calling both procedures into question, as a possible basis for review.

3.147. As in the case of domestic tourism, and to a greater extent, outbound tourism may be particularly prevalent among specific segments of the population, as for instance those living near land borders, among residents of foreign origin or among families of emigrants, as well as other groups. It might be important, for the purposes of analysis or the adjustment of domestic tourism measurements in TSA terms, to observe those characteristics for different subsets of visitors within the reference population (*IRTS 2008, 2.39. (c)*; and, *TSA:RMF 2008, 4.39.*).

3.148. Similarly, when measuring tourism flows and characteristics of trips and visitors, the same classifications identified for inbound tourism (see paragraphs 3.86 and 3.87), are also applicable to outbound tourism.

3.149. Outbound tourism sometimes includes multi-destination trips, i.e. to more than one country. It must therefore be decided whether to collect information on each country visited, and if so, how much information. For example, is it sufficient to merely identify the individual countries visited, without breaking down the data on other characteristics, such as purpose of trip, length of stay or expenditure? Or should such details be covered for each country visited? The answer will depend on the data needed and the resources available for collecting it. An alternative approach in some countries is to identify the main country visited only (the one central to the decision to take the trip), at the expense of understating the number of reference country residents visiting other countries. However, in the case of expenditure, total expenditure relating to all destinations should be collected, to ensure compatibility with BoP requirements.

3.150. The points made about the table of results for domestic tourism (see Section D.3) apply as well in the case of outbound tourism.

Table 3.3: Example table of results – outbound tourism

COUNTRY X

	Basic data and indicators	Units	YEAR X
3.	**OUTBOUND TOURISM**		
	Data		
	Departures		
3.1	Total	('000)	..
3.2	♦ Overnight visitors (tourists)	('000)	..
3.3	♦ Same-day visitors (excursionists)	('000)	..
	Expenditure		
3.4	Total	US$ Mn	..
3.5	♦ Travel	US$ Mn	..
3.6	♦ Passenger transport	US$ Mn	..
	Expenditure by main purpose of the trip		
3.7	Total	US$ Mn	..
3.8	♦ Personal	US$ Mn	..
3.9	♦ Business and professional	US$ Mn	..
	Indicators		
3.10	Average length of stay	Days	..
3.11	Average expenditure per day	US$	..

Box 3.39: Country example – U.S. citizens traveling to international regions

2012

Regions	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total YTD	% Change YTD [1]	YTD Market Share
Europe	580.304	493.931	823.312	832.117	1.213.377	1.498.656	1.299.502	1.126.098	1.138.691	852.344	646.447	739.858	11.244.637	3,9%	18,5%
Caribbean	460.494	536.899	648.773	577.885	545.073	672.777	737.987	548.775	331.371	374.327	449.260	551.722	6.435.343	6,7%	10,6%
Asia	370.010	318.111	372.172	363.785	380.446	405.070	365.778	317.409	319.491	381.465	358.881	359.926	4.312.544	4,3%	7,1%
South America	125.556	138.358	160.294	124.867	138.522	170.185	156.157	141.979	108.919	117.623	135.971	184.438	1.702.869	3,0%	2,8%
Central America	192.544	203.120	251.336	178.633	179.356	264.322	269.811	187.099	117.061	130.076	172.398	248.576	2.394.332	10,9%	3,9%
Oceania	48.024	54.116	48.693	37.363	40.183	45.685	47.908	38.929	38.032	40.144	47.909	60.285	547.271	8,4%	0,9%
Middle East	119.717	104.304	122.506	113.062	135.837	165.082	130.622	128.253	109.466	116.916	115.560	138.957	1.500.282	11,4%	2,5%
Africa	27.210	21.976	31.521	26.185	35.106	41.009	38.573	33.435	27.419	27.429	24.021	30.983	364.867	-0,2%	0,6%
Total Overseas [2]	1.923.859	1.870.815	2.458.607	2.253.897	2.667.900	3.262.786	3.046.338	2.521.977	2.190.450	2.040.324	1.950.447	2.314.745	28.502.145	5,5%	46,9%
Mexico (Total) [3][P]	1.748.720	1.658.654	1.962.308	1.636.812	1.541.355	1.683.523	1.906.916	1.531.064	1.326.880	1.444.056	1.707.965	2.218.415	20.366.668	1,4%	33,5% [6]
Mexico (Air) [2]	463.402	526.671	622.399	469.954	455.375	561.821	549.525	412.820	286.683	379.726	443.470	600.475	5.772.321	4,2%	
Canada (Total) [4]	462.324	535.229	603.332	715.671	995.416	1.532.189	1.841.084	1.851.032	1.156.567	821.124	590.585	749.428	11.853.981	2,2%	19,5% [6]
Canada (Air) [4]	182.378	193.390	225.366	242.905	306.501	432.853	446.048	424.754	331.058	280.675	208.087	260.644	3.534.659	2,4%	
North America	2.211.044	2.193.883	2.565.640	2.352.483	2.536.771	3.215.712	3.748.000	3.382.096	2.483.447	2.265.180	2.298.550	2.967.843	32.220.649	1,7%	53,1%
Grand Total	4.134.903	4.064.698	5.024.247	4.606.380	5.204.671	6.478.498	6.794.338	5.904.073	4.673.897	4.305.504	4.248.997	5.282.588	60.722.794	3,4%	100,0%
Monthly % Chg [1]	1,1%	12,0% [5]	8,2%	0,5%	1,0%	4,7%	-2,6%	3,9%	0,7%	0,5%	2,4%	-0,6%			

(1) Collection methodology DHS APIS (Overseas & Mexico air) comparable for all of 2012/2011.
(2) Overseas and Mexico air traffic (non-stop from US port to foreign port) source: DHS APIS.
(3) Mexico aggregate total (Including air, land and border 1+ nights) source: Banco de Mexico (P) Preliminary estimate
(4) Canadian aggregate total (including air, land and border 1+ nights) source: STATS Canada
(5) OTTI reconciled total APIS traffic numbers to U.S. DOT/BTS T-100 International data through August 2012 (BTS does not segment by citizenship). In February 2011 APIS was 10% below T-100.
(6) Market Share of 'Air' travel compared to all air travel: Mexico-air 15.3%; Canada-air 9.3%.

Note: All air traffic to/from all international regions (on U.S. and foreign flags) are reported by OTTI in the "U.S. International Air Travel Statistics Report".
To find out more about the Air Traffic Statistics program visit: http://www.tinet.ita.doc.gov/research/programs/i92/index.html

Source: U.S. Department of Commerce, International Trade Administration, Office of Travel and Tourism Industries (OTTI)

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Chapter 4. Measuring tourism expenditure

This chapter is structured as follows. Section A introduces the concept of expenditure and its importance in the overall measurement and understanding of the tourism sector. Section B reviews the basic concepts, the categories of tourism expenditure and their relationship with the different forms of expenditure. It also describes the different ways (sources) to measure inbound, domestic and outbound tourism expenditure, as well as ways to present the resulting statistics and offers some sample tables of results. The last Section (C) deals with measurement issues related to some specific transactions that may arise.

A. Introduction

4.1. Beyond measuring the physical flows of visitors and their characteristics, tourism statistics are especially useful for understanding the economic implications of visitors' activities. Such measurements allow tourism analysis to be linked with other economic analysis, permitting the integration of tourism policy within a country's general macroeconomic policy framework. One of the key economic implications of tourism relates to visitor expenditure for and while on tourism trips. This chapter describes the scope and different categories of expenditure associated with movements of non-resident visitors to the country of reference (inbound tourism) and of resident visitors within (domestic tourism) and outside (outbound tourism) the country of reference.

4.2. Frequent references are made throughout this chapter to the Tourism Satellite Account (TSA) and the System of National Accounts (SNA), both to (a) explain conceptual issues connected with tourism expenditure and its different categories and to (b) underline the relationship between the term "expenditure" (used in the context of surveys and questionnaires) and the term "consumption" (which includes tourism expenditure and other items, and is used in the TSA context; *TSA:RMF 2008, 2.25.*).

4.3. It is worth noting here the difference between tourism expenditure and tourism consumption. Tourism expenditure is the amount paid by visitors for the acquisition of consumption goods and services, as well as valuables, for own use or to give away, for and during tourism trips (*IRTS 2008, 4.2.*). Tourism consumption comprises tourism expenditure as well as a number of other non-expenditure consumption items which need to be imputed. The main ones are an imputed value of the use of second (holiday) homes and an imputed value of government subsidies to facilities used by visitors (e.g. museums, exhibitions, etc.). For a full description of the differences between tourism expenditure and tourism consumption, *TSA:RMF 2008, 2.25-2.28*. Tourism consumption is usually only required for purposes of constructing a TSA. However, tourism expenditure, collected by way of visitor surveys, is an important basic piece of visitor information which is useful for a variety of purposes, such as marketing and policy development. This Guide focuses only on tourism expenditure and not on total tourism consumption.

4.4. It is also worth noting that data on tourism expenditure (and ultimately consumption) is particularly important as it is the means by which tourism demand and tourism supply are matched. This match, by way of a TSA, enables measurement of tourism's contribution to an economy.

4.5. A growing number of countries have developed surveys to measure inbound tourism expenditure. The use of such instruments to also measure the "travel" item in the Balance of Payments has created increasing pressures for the alignment of tourism statistics with the

Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6) [21] and the *Manual on Statistics of International Trade in Services* (MSITS 2010). It has also fostered improvements in the international comparability of Balance of Payments measures of the expenditures by travellers outside their country of residence.

4.6. Another important point relates to the difference in measuring the *flows* of visitors vis-à-vis measuring the *expenditure* they undertake. While the flows tend to be measured at the point of arrival in (for inbound) and departure from (for outbound) the country of reference (see Chapter 3 Section C.1), the measurement of expenditure is made the other way around: at departure from (for inbound) and arrival into (for outbound) the country of reference. The reason is that visitors are best able to answer questions about their expenditure at the moment of conclusion of the trip, and not at the onset of the trip when a large portion of the expenditure is still to be made. In such a dual construction, whereby flows are calculated on the one hand and average expenditure on the other, it becomes necessary to use a common categorization in order to be able to combine the information at a later stage.

4.7. As previously noted (see paragraph 3.5.), countries should understand that the guidance provided here is of a general nature; each country should consider the recommendations that best correspond to its own situation after thoroughly reviewing the particularities of its tourism activity.

B. Tourism expenditure and categories thereof

B.1. Recalling the basic concepts

4.8. The *IRTS 2008, 4.2.*, defines *tourism expenditure* as "…the amount paid for the acquisition of consumption goods and services, as well as valuables, for own use or to give away, for and during tourism trips. It includes expenditures incurred by visitors themselves as well as expenses that are paid for or reimbursed by others."

4.9. Tourism expenditure does not include all trip-related expenses, only those for the acquisition of consumption goods and services, as well as valuables for one's own use or to give away. The acquisition of consumption goods and services and of valuables is defined in the System of National Accounts (*SNA 2008, Chapter 9, Section D*) and also applies here. Tourism expenditure also excludes certain items such as social transfers in kind that benefit visitors, the imputation of accommodation services from owned vacation homes and financial intermediation services indirectly measured (but these are included in tourism consumption) (*IRTS 2008, 4.2.* – *4.7.*).

4.10. In National Accounts, transactions of goods or services are to be recorded upon the transfer of ownership from seller to buyer in the case of goods, or upon service delivery by seller to buyer in the case of services – and not necessarily at the time of payment, which can occur beforehand (for instance, when a travel ticket is purchased in advance) or afterwards (when paying by credit card). For this reason, the terms "acquisition" and "payment" should not be used interchangeably: they occur at different points in time (*IRTS 2008, 4.8. – 4.11.)*. This difference has to be thoroughly understood when making measurements and developing questionnaires.

[21] See *IRTS 2008, chapter 8* "Understanding tourism in its relationship with other macroeconomic frameworks", Section B: Tourism and Balance of Payments".

4.11. Individuals who acquire goods or services do not necessarily purchase them with their own resources; they may have been paid for by others on the individuals' behalf (see paragraphs 4.82. – 4.88.). Examples include other households (such as relatives or friends hosting visitors), or employers who cover transportation, paid accommodation or other services for their employees. Irrespective of who actually pays for the good or service, if a visitor acquires the good or service, then it may be considered in tourism statistics—respondents should be made aware of this when answering surveys on tourism expenditure.

4.12. In addition, and in the case of a market transaction, the valuation of tourism expenditure should correspond to the unit value paid by the visitor (purchaser's prices). This should include all taxes, as well as voluntary or compulsory tips, that relate to the purchase of a product and should correct for any value-added tax (VAT) rebates to non-residents.

4.13. On the other hand, not all expenditures that benefit a visitor, or that visitors might make themselves, constitute the acquisition of a good or service. Interest payments, donations to a foundation, the purchase of a vacation home or money transferred to family or relatives, for instance, are not treated as acquisitions of goods or services and are excluded from tourism expenditure (*IRTS 2008, 4.6.*).

4.14. This again has to be borne in mind when designing questionnaires for the measurement of tourism expenditure, and respondents, who tend to not differentiate between such outlays, need to be made aware of it. The *IRTS 2008, 4.2.* – *4.7.* describes in detail what should and should not be included as tourism expenditure.

B.2. Different categories of tourism expenditure and their relationship to forms of tourism

B.2.1. Definitions

4.15. Any expenditure by domestic and international visitors at any time during their trips can potentially be considered tourism expenditure (although not all actually are). Even goods and services acquired – in the usual environment or elsewhere – before the trip, such as clothes, travel guides, inoculations, travel insurance, etc., should be included if clearly related to the trip.

4.16. It should be mentioned that the recommendations previous to the *IRTS 2008* advised including post-trip expenditure, as well. Dry cleaning and photo printing were the most frequently cited examples, but there is a Pandora's Box of other possibilities – even car repairs or hospital bills in the case of accidents during travel. Given the anecdotal character of the examples cited and the prospect of sweeping adjustments to tourism expenditure figures (long after the completion of a trip), the present 2008 recommendations do not treat such post-trip spending as falling within the scope of tourism expenditure (or consumption).

4.17. For the purposes of economic analysis and policy design that are clearly linked to a specific economy, the national economy in which expenditures have occurred needs to be specified.

4.18. Based on this requirement, the following categories of tourism expenditure are defined (*IRTS 2008, 4.15.*):

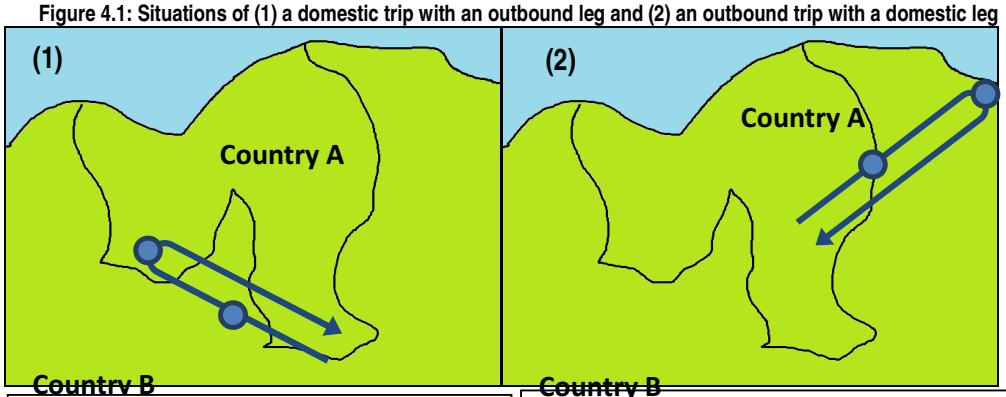
- **Domestic tourism expenditure** is the tourism expenditure of a resident visitor within the economy of reference;

- **Inbound tourism expenditure** is the tourism expenditure of a non-resident visitor within the economy of reference;
- **Outbound tourism expenditure** is the tourism expenditure of a resident visitor outside the economy of reference;

4.19. It should be underlined that not all expenditure made by a visitor who is on an outbound trip occurs outside the visitor's economy of residence. Since a trip is defined as a round-trip, an outbound trip involves travel from the time of departure from a person's place of residence until the person returns to that place, in which the main destination is outside this country of residence (*IRTS 2008, 2.7.*). This means that an outbound trip can include a leg (even a long one) travelled within the country of origin before departing from it (see paragraph 3.103.). This leg might involve expenditure on transportation to the airport, port, railway or bus station or land border; on food, goods and services; and even on accommodation for one or more nights before leaving the country. All such expenditures, provided they correspond to transactions between two residents (the visitor and the purveyor), should be included in domestic tourism expenditure as it relates to the domestic leg of an outbound trip. Included in domestic tourism expenditure are also all the resident-to-resident expenditures made before the trip for the purpose of an outbound trip (e.g. clothes for the trip, films, etc.).

4.20. The same occurs in the case of outbound legs of domestic trips. Such visits should not be counted as "trips", since by definition they are not round trips (*IRTS 2008, 2.30.*). The expenditure associated with outbound legs of domestic trips should be included under outbound tourism expenditure (since they involve resident to non-residents transactions). It should be noted that a trip with both a domestic and an outbound component should be classified as "Domestic" or "Outbound" on the basis of where the main destination is.

Figure 4.1: Situations of (1) a domestic trip with an outbound leg and (2) an outbound trip with a domestic leg



Domestic trip in Country A with an outbound portion (stop and expenditure) in Country B.

Outbound trip from Country A with a domestic portion (stop and expenditure).
For Country B this is an inbound trip, but all expenditure taking place outside Country B (in non-resident to non-resident transactions) is not considered in its inbound tourism expenditure.

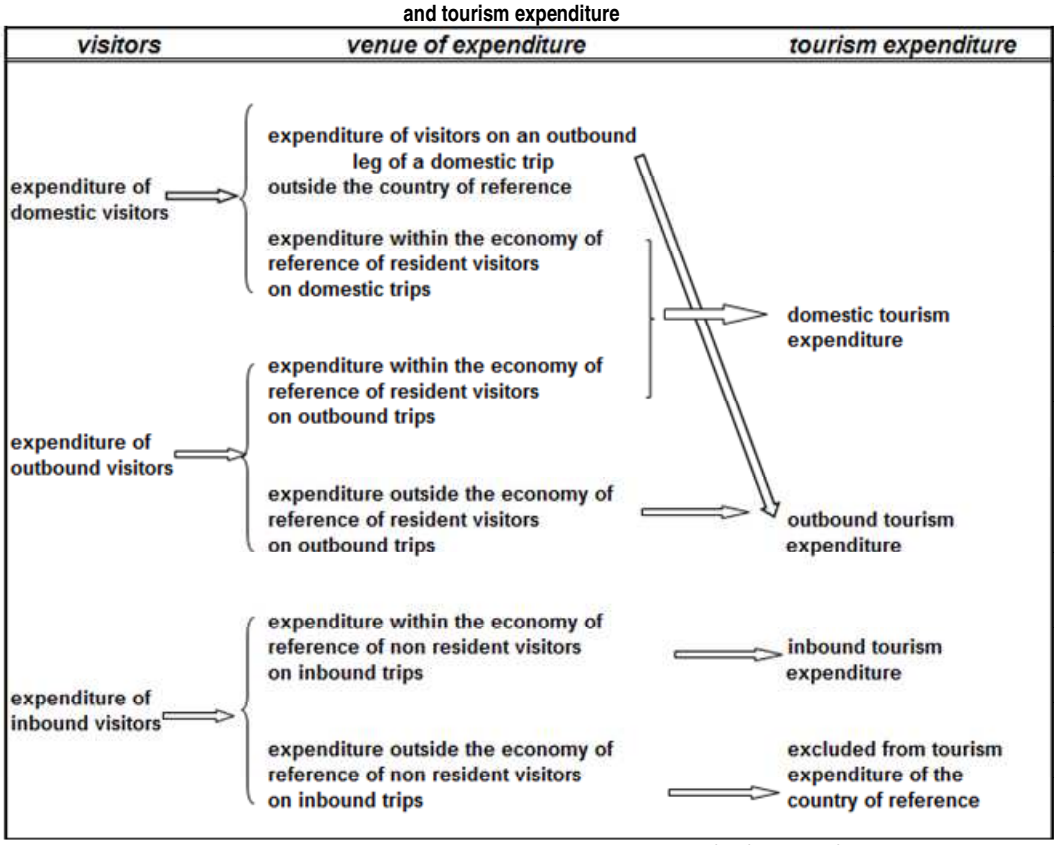
4.21. This illustrates that there is no one-to-one correlation between domestic, outbound and inbound tourism trips, on the one hand, and tourism expenditures classified in those same categories (domestic, outbound, inbound) on the other. Part of the expenditure by visitors on outbound trips is treated as outbound tourism expenditure, while part is treated as domestic tourism expenditure and added to expenditure by visitors on domestic trips. The opposite is also true: part of the expenditure on a domestic trip might correspond to an outbound leg of the trip, thus falling within outbound tourism consumption. Similarly, the expenditure by visitors

on inbound trips but which occurs en route within the visitors' own economies of origin (or in an economy other than the reference economy), is excluded from inbound tourism consumption in the country visited. It should be noted that the determinant of whether the expenditure is "Domestic" or "Outbound" depends on the economy in which the good or service is obtained by the visitor, and not the economy in which the payment is made.

4.22. A related situation occurs where a domestic visitor (with no outbound component of the trip) purchases a product obtained on the domestic trip from a non-resident provider (e.g. an agent on the Internet). In such a case, the expenditure should be included in outbound expenditure as the transaction is between a resident and a non-resident entity (*IRTS 2008, 4.17.*) However, in practice in collecting such data in a household survey (the recommended methodology), it is unlikely that the non-residency of the provider can be identified.

4.23. The figure below illustrates how types of tourism trips and categories of tourism expenditure relate.

Figure 4.2: Relationship between trips, the venue of expenditure and tourism expenditure



Note: For domestic visitors: the item "expenditure within the economy of reference of resident visitors on domestic trip" is not "domestic tourism expenditure" if the product is provided by a non-resident entity. For outbound visitors: the item "expenditure within the economy of reference of resident visitors on outbound trips" is not domestic tourism expenditure if the provider in a non-resident.

B.2.2. Determining the national economy involved in some specific transactions by visitors

4.24. In general, determining which part of an international visitor's expenditure corresponds to inbound/outbound tourism expenditure, which part corresponds to domestic tourism expenditure, and which part should be excluded is not a very complex process: visitors themselves can often easily identify where their expenditures were made and the country of residence of the sellers or providers.

4.25. For a few fields of expenditure, however, such determinations are less straightforward, and in particular for the following three :

- Transportation between origin and destination (mainly air, but also rail and water),
- Package tours, and
- Reservation services, imbedded in the purchase of some services.

Transportation

4.26. Identifying the provider of air transportation and its country of residence and relating it to an international visitor, can be tricky.

4.27. This situation can be attributed to the multiplicity of arrangements that exist among air service providers and to the existence of transnational companies, for air (and also rail) transportation.

4.28. An international visitor may book air travel on more than one airline, each of which can be resident in the country of origin, in the country of destination, and/or in a third country. If a separate ticket is issued for each segment using a different carrier, determining their respective countries of residence and the amounts paid to each is easy. But it is also common for one airline (the validating or plating carrier) to sell a single ticket for travelling on multiple other, resident or non-resident, airlines (for segments of the journey that are not served by the validating airline). This practice is called *interlining*. Where there are no interlining arrangements between companies, separate tickets have to be issued.

4.29. Distributing the total amount paid for a ticket among the different legs of the journey and the different airlines involved is not easy: this amount usually reflects different price categories, different taxes levied by the countries of origin and/or destinations, and in some cases, a commission for the travel arranger (formal travel agent or on-line operator), whose country of residence can also be difficult to determine. Survey respondents cannot be expected to sort all this out and do not have the detailed information necessary to do so.

4.30. Another complicating factor is that airlines operate in certain segments under *codeshare agreements*. A *codeshare flight* is a commercial flight operated by one airline (the operating carrier) but marketed by others (the marketing carriers). The operating carrier provides the service to the visitor and pays the marketing carrier a certain share of the revenues earned, based on complex formulae and bilateral arrangements specific to each segment. What needs to be identified for tourism purposes is the country of residence of the operating carrier: the one providing the service to the visitor. For Balance of Payments purposes, it becomes necessary to also identify the countries of residence of the marketing carriers involved (as they are remunerated by the operating carrier). Here again, the visitors surveyed cannot be expected to make these identifications.

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4.31. Additionally, airlines and railway companies might operate as *multiterritory enterprises*, defined as "enterprises that operate as a seamless operation over more than one economic territory. Although the enterprise has substantial activity in more than one economic territory, it

is run as an indivisible operation with no separate accounts or decisions, so that no separate branches can be identified" (*BPM6, 4.41* to *4.46*).

4.32. Fortunately, tourism statistics compilers are not the only ones interested in these issues: National Accounts and Balance of Payments compilers deal with similar questions and face precisely the same difficulties, meaning that cooperation in this field is essential.

4.33. For issues relevant to their countries, many Balance of Payments compilers have developed methods of estimation based on information collected from railway companies or airlines. It is important that tourism statistics compilers understand and participate in the estimation procedure so that they can apply the results properly. The data derived from these procedures, however, may not be sufficiently detailed for the purpose of making specific adjustments to the information collected from surveys of visitors and assigning them to each different category of tourism expenditure because Balance of Payments is only concerned with global data. This distribution will possibly require some types of adjustments in the data and the final presentation within the TSA recommended table (if relevant). It is also recalled that tourism statistics (basically when statistics are compiled with the purpose of setting up a TSA) use the net valuation principle for reservation services (*IRTS 2008, 6.46.* to *6.54.*) which is not the case, neither in Balance of Payments nor necessarily in National Accounts (*TSA:RMF 2008, 3.21 to 3.24.*).

Box 4.1: Statistics Canada's International Travel Survey Program: Imputation

In the International Travel Survey (ITS), missing transportation fares and/or total travel expenses are imputed when the other fields of the questionnaire are valid. The imputed values for such a questionnaire are calculated from the mean of the corresponding fields of the other questionnaires with some identical key characteristics as the given questionnaire.

Target populations (American, Overseas and Canadian international travellers) are partitioned into Port Factor Groups (PFGs), based on selected traveller characteristics, such as country of residence, mode of entry and duration of stay. Total imputation (i.e. imputation of complete questionnaires) is carried out for all PFGs or strata that are outside the scope of questionnaire distribution. There are 120 Canadian and American PFGs for which Statistics Canada never receives questionnaires. These imputed questionnaires accounted for only 4.4% of all U.S. travellers to Canada and 1.2 % of Canadian residents travelling outside Canada.

Imputation of questionnaires is required only for Canadian and U.S. travellers. Total imputation is also performed for any in-scope PFG for which we have received an insufficient number of questionnaires for the quarter. In these instances, all the questionnaires from the same quarter of the previous year that belong to the PFG are brought forward and added to the sample of that PFG for the reference quarter. If necessary, additional total imputation is also performed for U.S. car travellers by state of origin to meet minimum requirements (combination of minimum number of questionnaires and maximum weight) based on the frontier counts.

Source: *Statistics Canada*

Package tours

4.34. A package tour[22] consists of a "tourism product" developed and provided by a tour operator, which sells it directly or through travel agencies to would-be travellers (see paragraph 4.52). Travellers on package tours receive a combination of trip-related products and tourism services: international and national transportation, accommodation, food and beverage services, sight-seeing, entertainment, etc. Package characteristics vary. Some are "off the shelf" while others are customized in response to specific traveller requests through a combination of elements previously negotiated and selected by the packager (and purchased from designated providers) who anticipated demand for them and has often placed itself at risk (*IRTS 2008, 6.46.* – *6.54.* and *TSA:RMF 2008, 3.21 to 3.24.*).

4.35. Some package tours are limited to one or more domestic destinations, i.e. places within the economic territory of the packager's country of residence. Many, however, include travel to foreign destinations, i.e. outside the packager's economic territory, or a combination of domestic and foreign travel.

4.36. The treatment of packages is complicated by their multiplicity of products as well as by the fact that providers reside in different countries – potentially including that of the purchaser's residence, that of a destination, or any other third country. Each of these cases requires different treatment in tourism statistics.

4.37. Usually, if the package refers to domestic travel, it will be assumed that all goods and services included in the package have been provided by resident producers (an assumption that might need to be reviewed in the future because of open skies in increasingly globalized economies).

4.38. A packager might sell its product to residents of the economy where it operates, but also directly to non-residents, through a travel agency (which may or may not reside in the economy of reference), or through associated packagers or travel agencies operating in other countries, or even directly to would-be travellers over the Internet.

4.39. Visitors usually receive information only about the total value of a package and about its components. They will usually not know where the providers reside or how much each service purchased within the package might cost, let alone how those costs might be apportioned amongst product packagers and marketers.

4.40. As a consequence, the total cost of packages reported by visitors needs to be broken down by analysts using information collected directly from the packagers themselves or from the travel agencies that sell packages to the public. There are two ways that countries can approach this. One would be through information obtained by means of (modules added to) supply surveys, as explained in the example below. Another alternative would be to obtain information by means of a "case study" sample of selected key travel agent establishments. In any case, compilers need to be well prepared to earn the trust and collaboration of data providers.

[22] See UNWTO (2004), "Clarifying the treatment of travel agency, tour operator, travel agency services and package tours in SNA, Balance of Payments and TSA and their mutual relationship".

4.41. A challenge that needs to be considered irrespective of the approach is differentiating between wholesalers and retailers, who may either purchase pre-packaged tours or package themselves, and their respective margins on the various products. As tourism statistics deals only with the direct contact with visitors, the retailers' margin should be included but the wholesalers' margin should be excluded.

Box 4.2: The Treatment of package tours in the Balance of Payments: the Austrian experience

In Austria the main data source for collecting information on the expenditure for goods and services for outbound trips is the quarterly sample survey considering holiday and business trips. The outcome of this survey reflects the expenditure for outbound travel.

However, the amount of expenditure also includes components which have to be allocated to domestic tourism (e.g. the travel agency fee for its services, etc.). Thus, due to conceptual and methodological reasons, a discrepancy to the demands of the Balance of Payments' Travel item (T-BoP) is given which requires the collection of expenditure abroad. Therefore, these domestic components have to be isolated in order to be consistent with the IMF recommendations as the physical travel destination may not coincide with the actual monetary flow, such as in the case that tour operators (TOs) located in third countries are involved: in many cases TOs located in Germany or the UK organize package tours for Austrian residents. In these cases the monetary flows do not reflect the physical travel destinations but the official locations of the TOs. According to IMF recommendations, passenger transport has to be accounted separately and is not part of the Travel item in the BoP in its narrower sense. Therefore, as package products in many cases include a transportation item, it is necessary to split up these products into their components to at least isolate the international transport item.

Given it is a demand-related sample survey, necessary adjustments relating to package products are made:

- Firstly, certain (cost) components which are part of domestic production have to be excluded as they are not part of the T-BoP.
- Secondly, transportation items have to be segregated from the general travel products.
- Thirdly, if TOs located in 3rd countries are involved, the geographical breakdown has to be adjusted according to the monetary flows.

As these operations are not accomplishable by only using the information of the sample survey, additional information from business providers has to be used. This supply-oriented information is used to establish a disaggregation model which helps to split up the expenditure amount of package tours into sub-aggregates which can then be adjusted according to T-BoP requirements.

It should be emphasized that this method is adapted to the Austrian compilation conditions and should be seen as an input for further discussion on the package tour issue.

More information on how Statistics Austria treats package tours within the travel item of the Balance of Payments can be found in the Eurostat *Methodological Manual for Tourism Statistics*.

Source: *Statistics Austria, 2013*

Box 4.3: Country Example Spain: Statistics on Products in the Services Sector, an additional module of the Annual Services Survey.

The form of organization of a trip is a characteristic of the trip that is usually collected in demand surveys and serves to evaluate the volume and importance of the package tours. In Spain, this variable is included in the household surveys (FAMILITUR) and in the frontier surveys (FRONTUR, EGATUR).

The information related to package tours, collected from the demand side, is very useful. However, the supply survey approach, where this information is directly provided by the companies that make these products, should not be neglected.

Information from the supply side is the best to bring different elements of great interest in characterizing tour packages, such as their composition (services included), or their marketing circuit.

In order to obtain this information, Spain's National Statistics Institute has developed a specific module for travel agencies which collects some data related to package tours. This survey is included in the Products Statistics in the Service Sector, which is part of the Annual Services Survey.

For travel agency and tour operator activities the available information is divided in three sections:

- Breakdown of purchases of products and services acquired,
- Breakdown of turnover by product and service sold, and
- Breakdown of turnover by type of client.

The data provided by this survey can be used in some tasks related to the TSA framework (i.e. the unbundling of package tours).

Source: *Statistics on Products in the Services Sector (CNAE-2009)*

Reservation services

4.42. Visitors often purchase services for and during their trips through intermediaries, most commonly these are travel agencies (physical or on the Internet) but often also include reservation services (for shows, hotels, etc.). This usually happens on a commission or fee basis (either explicitly and individually invoiced, or implicitly as part of the total price charged).

4.43. For the sake of homogeneity, and because reservation services do benefit users, it is recommended (*IRTS 2008, 6.46.* to *6.54.* and *TSA:RMF 2008, 3.21 to 3.24.*) that visitors be recorded in all cases as acquiring this service in addition to the service intermediated.

4.44. Beyond the difficulty of valuing reservation services, an additional issue is determining the country of residence of such providers, so that consumption of their services can be assigned to the right category of tourism expenditure.

4.45. Usually, the adjustment will only be made in respect of reservation services provided by travel agencies for international air transportation, packages and cruises. It will be assumed that when these services are purchased in the traveller's country of residence, the travel agency resides in that same country and that its services represent a fixed percentage of the sale value based on the fees currently charged by local travel agencies.

4.46. It should be noted that, if available, the information for making such adjustments will only be of a global nature so that the sort of adjustments discussed usually cannot be made on an individual basis. Rather, adjustments will tend to be made on an aggregated basis, possibly to all relevant visits and over a given period (e.g. a full year's data).

4.47. The increasing use of the Internet to book travel, accommodation and events, using both resident and non-resident intermediaries, poses new measurement difficulties. A possible solution is the use of credit card payment databases as credit cards are usually used for such transactions (see paragraphs 4.65 to 4.66) , even though this source will not always provide the level of detail required on goods and services and industries.

B.2.3. Classification of tourism expenditure

4.48. In order to be able to relate demand by visitors for specific goods and services to the supply of these goods and services in the economy, information on expenditure needs to be collected in disaggregated form and according to a common classification of goods and services (*IRTS 2008*, Chapter 4, Section D.). While in industrial statistics and in the National Accounts, products are usually analysed in classifications derived from the Central Product Classification, the *IRTS 2008* recommends that the collection of tourism expenditure data be done in a way that is as easy as possible for visitors to understand and report.

4.49. The *IRTS 2008* thus recommends using a classification that allows visitors to group their expenditure according to purpose: the Classification of Individual Consumption by Purpose (COICOP). This classification is commonly used for the description of personal consumption in general statistics and household surveys, and has the primary advantage that it can be linked to the CPC (which, in turn, enables links to supply-side classifications, see Chapter 5).

The categories that are most commonly used and recommended in *IRTS 2008* are:

i. Package travel, package holidays and package tours
ii. Accommodation
iii. Food and drink
iv. Local transport
v. International transport
vi. Recreation, culture and sporting activities
vii. Shopping
viii. Others

4.50. Measuring tourism expenditure within a consistent framework like the TSA implies both the use of aggregated categories (such as those in COICOP) as well as more detailed data for certain breakdowns of expenditure in order to enable the link to supply (see Chapter 5 for further information on classifications). If the intention is to ultimately link the expenditure data to supply side information (as in the case of TSA), information from the above categories needs to be further broken down according to CPC, which is the classification used in the list of tourism characteristic products (see Chapter 5, Section C and *IRTS 2008, 5.18.*)

4.51. Because flows and expenditure are often observed at different moments in time (paragraphs 3.66 and 4.6), and in order to measure total inbound tourism expenditure, expenditure data needs to be assigned to flows data.

4.52. When it comes to inbound tourism expenditure, Balance of Payments figures for the “travel” and “passenger transport” items are extensively used as a first approximation. *IRTS 2008* explicitly recommends that tourism statistics allow tourism-related expenditure to be identified under “travel” and “passenger transport” as a supplementary item to the standard Balance of Payments component (*IRTS 2008, 8.22.* to *8.25.*). The supplementary breakdown proposed in *BPM6* for this purpose (goods, local transportation services, accommodation service, food

serving services and other services) conforms fairly well with the COICOP, although the differentiation between goods and services may cut across the COICOP-based categories (see paragraphs 5.9 to 5.16).

Box 4.4: Travel Survey of Residents of Canada – Trip expenditures imputation

In the Travel Survey of Residents of Canada, trip expenditures' imputation is done for expenditure data to ensure that every record has a valid expenditure value for all expenditure categories. All other missing or erroneous values are either corrected or converted to a "not stated" code. Expenditure values are imputed based on the average expenditure for this variable from other selected trips with similar characteristics.

Common characteristics are used since expenditures vary considerably depending on trip characteristics. Averages are computed for trips with common characteristics, such as the destination, the duration, the number of people in the travel party, the main reason for the trip, etc. Averages are computed separately for trips from the first and second recall months. There must be at least three contributing records for each imputation category. If not, trip characteristics are collapsed to a less specific level, and a set of averages is calculated for this higher level of trip type.

An additional step in the imputation process is the distribution of tour package expenditures to specific expenditure categories. This is accomplished in the same fashion as expenditure imputation. Imputed expenditures are then re-edited to ensure that no outlier values have been created by the expenditure imputation process. After this procedure, an extra adjustment is performed for same-day trips with identical trips and high expenditures.

Source: *Statistics Canada*

B.3. Measuring inbound tourism expenditure

4.53. The most common and rigorous method of observing expenditure by non-resident visitors is to survey them as they leave the country (see Chapter 3, Section C.2.2.1). The following methods are used to observe inbound tourism expenditure. It should be noted that the following discussions on border surveys, surveys at accommodation or tourism sites, or the use of electronic prints contain elements of relevance to also the measurement of domestic and outbound tourism expenditure.

B.3.1. Border surveys

4.54. As discussed in Chapter 3, UNWTO designed a set of proposed basic questions that can serve as a starting point for a questionnaire (see paragraph 3.88) and provides an example questionnaire for illustration as well as the Swedish visitor survey in Annex 1. A separate "expenditure module" can be included in border surveys and used in conjunction with other types of procedures at accommodation establishments and/or popular tourism sites. The set of model questions and the "expenditure module" should be used by countries as a background reference to update or design their own questionnaires.

4.55. In the context of tourism, a "module" is a set of interconnected questions to elicit details on certain characteristics of tourism behaviour, and which can be included as part of a regular survey with the same frequency as the survey on flows (or with a lower frequently, but always regularly). The module refers specifically to the questionnaire's (see Annex 1) on "Expenditure".

4.56. The module's frequency of use and structural link with the border survey is an issue that deserves attention, and is thus further elaborated in the following paragraphs.

4.57. The procedures for implementing a survey discussed in Chapter 3 (see paragraphs. 3.90. to 3.91.) apply to border surveys but can also be applied to surveys at accommodation establishments and popular tourism sites, or to the use of mirror statistics. Information based on the electronic prints that visitors leave behind as they pay for their expenditure can also be used, but in this case the procedure is quite different (see Section B.3.3 of this chapter).

4.58. In countries in which tourism is significant, inbound tourism expenditure can be measured continuously, simultaneously with the observation of visitor flows – provided that the necessary technical and financial resources are available to do this work on an on-going basis.

4.59. If sufficient resources are not available, or if it is not considered necessary to perform these measurements continuously — for instance, because average expenditure per day is observed or because it is considered to be relatively constant over roughly five-year time spans (controlling for important determinants such as purpose of trip and form of accommodation used)—countries may conduct their observations with the following frequencies:

- *Pluri-annually* (every 5 years, for instance). For the years in between the observations a modelling procedure is used, correlating the structure and level of expenditure with the characteristics of tourism flows. For the years in which observations are conducted, the number of observations needs to be sufficiently numerous in each category to permit such modelling and within acceptable margins of error. The observations must be spread throughout the year since the categories of visitor (families, retirees, business persons) and their activities (winter sports, summer sports, etc.) – and thus their level and structure of expenditure, are often highly seasonal (see paragraphs 3.18., 3.110. and 3.127.).

- *During high and low tourism seasons*. Before setting up such a system, it is important to determine clearly the seasonality of tourism (see Box 3.2 on the Austrian country experience), which may differ depending on the purpose of visit. In particular, the busiest times for personal tourism versus business and professional tourism may occur during different or entirely opposite seasons. The design of border surveys should reflect such patterns, identifying which flows should be covered in high vs. low season. Seasonality should also be verified regularly, to check for changes in the cycle.

B.3.2. Visitor surveys at accommodation establishments or tourism sites

4.60. This type of survey can be a valuable way to complement information obtained from border surveys (see Chapter 3, Section C.2.2.2.). Also, when observing expenditure at the borders is not a viable option (e.g. in the case of significant inbound flows by road and no practical means of stopping visitors near the border) such surveys can be a useful source of information. They can be especially useful in obtaining “average daily expenditure”, for example, and can be an important complementary source of information to delve into more detail of the characteristics of visitors and their expenditure.

4.61. However, they also have a number of limitations (see paragraphs 3.95 to 3.96) that need to be carefully evaluated and accounted for as much as possible during the statistical design. A given visitor might visit more than one such site or no such site at all, so his/her probability of

selection is variable and unknown[23]. The same occurs with visitors surveyed at accommodation establishments, since visitors might stay at more than one or at no such establishment (e.g. if staying with family and friends or in his/her own second home).

4.62. Estimating expenditure at the time of the interview, before most visitors have concluded their stays in the country, is even more challenging: they can only report what has happened up to that moment. If information is also being collected on expenditure, there may be significant biases, since people often leave the purchase of souvenirs or other items to take back home to the very last minute before departure. Also, unexpected events, either in the country of origin or the country visited (such as natural disasters, bad weather or political turmoil) or personal reasons might oblige visitors to change their minds about their stay and anticipated expenditures.

4.63. It may be more useful to only ask for expenditure on the previous day (including the value of accommodation for that day) if the interviews are spread over most, or all, of the days of the reference period. This would help to minimise the bias incurred in obtaining the value od the total expenditure to date.

Box 4.5: Country example – the case of Colombia

Domestic tourism: average expenditure per day

	according to forms of accommodation			
values in 2002 pesos	Family and friends	Hotels and similar	others	TOTAL
Accommodation	578	54,093	20,028	8,610
Food and beverage	8,837	44,476	23,311	14,266
Air transport	2,743	27,297	7,945	6,232
Land transport	5,751	11,749	7,812	6,645
Car rental	60	548	263	135
Other transports	377	414	869	408
Gas	1,215	3,835	3,331	1,669
Tolls	603	1,835	1,276	800
Other trans port services	131	243	100	144
Recreation services	1,014	3,220	1,862	1,348
Gifts	2,365	9,954	2,557	3,369
Culture	333	1,145	434	444
Other expenses	1,990	8,375	2,389	2,847
TOTAL Expenditure	25,998	167,183	72,176	46,918
Source: ETUR 2003				
Calculations: DSCN				

4.64. In addition, it has been observed not only that persons staying with family and friends spend less on accommodation, but also that their whole structure of expenditure is significantly different from that of persons staying at market accommodation establishments (see Box 4.5 below): they tend to take meals at home, travel around with relatives, and engage in totally different types of activities during their stay in the country. Consequently, estimating their expenses based on those of persons staying in market accommodation would likely generate biases in both the level and structure of total inbound tourism expenditure.

[23] An interesting example of constructing probabilistic samples is given in Deville and Maumy-Bertrand (2006), "Extension of the Indirect Sampling Method and its Application to Tourism", *Survey Methodology*, vol. 2, No. 2, 177-185.

B.3.3. Using electronic prints

4.65. In countries where the use of credit or debit cards is firmly established, it might be possible to use data from their records to estimate part of the total inbound tourism expenditure (and possible of other forms of tourism as well), and to break it down into a few categories based on the main business of the payment beneficiaries. This is subject to the following assumptions:

- All (or almost all) holders of credit or debit cards issued by foreign banks are non-residents. On the other hand, all holders of credit cards issued by resident banks are residents;
- All non-residents using credit or debit cards issued by foreign banks are visitors;
- Most transactions are paid using a credit or a debit card, or cash withdrawn using ATMs.

4.66. Such an approach would require agreements with the local managers of international credit card companies in order to see what kind of information might be collected and under what conditions it might be provided to the tourism administration, with all the guarantees needed to protect user identity.

B.4. Measuring domestic tourism expenditure

4.67. Domestic tourism expenditure needs to be observed directly from the resident population by use of Computer Assisted Telephone Interviews (CATI) or other forms of household surveys. These can be designed either as specific operations or as a module of a larger household expenditure survey. The statistical challenges in designing household surveys were discussed in Chapter 3 (see Sections D.1 and D.2). Most issues mentioned in the previous Section B.3, are also relevant here.

Box 4.6: Country study – The case of Philippines

For the purposes of domestic tourism statistics, the Philippines conduct the Household Survey on Domestic Visitors (HSDV), which is a rider to the Labour Force Survey. The HSDV is to be conducted every three years as part of an omnibus/comprehensive survey. For the "in between years", there is HSDV survey which is a rider to the Labour Force Survey that provides core indicators. The country's NSO is also looking into the possibility of including a tourism module in its Family Income and Expenditure Survey.

Paper: The 2005 Household Survey on Domestic Visitors by Emma A. Fabian and Milagros Y. Say, 2007

4.68. Because a (sometimes large) portion of individuals in the sampled households will not have a member who engaged in any tourism activity in the reference period, a large number of households must be selected to obtain a net sample providing sufficient information. Since the interviews are conducted after visitors return to their usual environments, leaving the rush and pressure of travel behind, they may be able recall their expenditures more easily and precisely by reviewing bills, invoices and credit card slips (particularly if they receive a letter informing them of the interview in advance). To support this exercise, it is recommended that visitors be asked to describe their trips, the different places visited and the activities engaged in so that expenditures can more easily be connected with each of these situations and added up to obtain total expenditure.

4.69. An additional issue as compared to inbound tourism expenditure is the fact that in many countries, visits to vacation homes by residents are frequent and thus frequently reported. Actual expenditure related to vacation homes and timeshares in the country of residence tends to fall into two broad categories:

(i) *Expenses related to ownership* of the vacation home or timeshare and more or less independent of any specific trip. Public utilities and maintenance fees fall in this category and might be reported in a different part of the expenditure survey. These should not be included in tourism expenditure (*IRTS 2008, 4.7*).

(ii) *Expenses clearly associated with a specific trip* to the vacation home, such as transportation, food, etc. These should be reported within the specific tourism expenditure module.

4.70. As noted earlier, domestic tourism expenditure includes expenditure by visitors within their economy of origin for and on outbound trips. Such expenses are principally related to international transportation, reservation services paid to domestic travel agencies, services provided by residents[24], and any tourism expenses made during the leg of the trip that has occurred in the country of residence (see paragraphs 4.19 - 4.20). It is important to collect information on such outbound trip expenditures that take place before departure from the country of residence. This information, which is not necessarily covered by domestic travel surveys, can also be measured through surveys on outbound trips.

4.71. In order to obtain more details of certain aspects of visitor spending, sub-samples of the selected population can be established according to a more detailed breakdown of expenditure. Such an approach has the advantage of allowing each respondent to give details of some but not necessarily all categories of expenditure, making the interview procedure less burdensome but still permitting detailed information to be obtained. It assumes, however, that the size of the overall sample is sufficiently large to permit sub-sampling while still yielding reasonably precise information and allowing for the cross-classification of observed variables (non-monetary as well as monetary). The statistical design and grossing up procedures could be complex as a result.

Box 4.7: Travel Survey of Residents of Canada – Trip imputation

In the Travel Survey of Residents of Canada, a trip imputation is used because of the sub sampling strategy. First, respondents' trips are rostered and basic information is gathered. Then, a subset of the respondents' trips is selected for the collection of additional information which is referred to as the detailed trip information.

This strategy leaves all of the detailed trip information variables with missing values for unselected trips. This information is imputed by means of a donor imputation strategy. For each unselected trip (the "recipient"), one single trip (the "donor") is selected to impute all the detail variables. The information from this donor is borrowed to fill in the missing values in the recipient. Therefore, it is important to select the donor carefully. Also, note that the imputation is performed separately by collection month.

The process of finding a donor for the unselected trips resembles the way averages are calculated in the expenditures imputation stage. The donor is selected from a set of trips with similar characteristics to the recipient, called a "donor pool". Only trips from the same recall month and trip type (same-day or overnight) as the recipient are considered to be part of the donor pool. These are mandatory matching categories.

[24] It should be noted that, unlike the purchase of an imported good within the country of the outbound tourist, an imported services (which most often relates to transportation) is not part of tourism expenditure and so should be excluded.

In addition, trips with high reported total spending are excluded from the donor pools to avoid creating new outliers through imputation. After the donor pool is finalized, the final donor is selected from the pool using a distance function that indicates how far each of the donors in the pool is from the recipient in terms of some continuous variables.

For same-day trips, the donor whose trip distance is closer to the recipient's is chosen. For overnight trips, a more complex distance function, which incorporates the number of nights and the trip distance, is used to select the donor. Finally, after the donor is selected, all its information is copied over to the recipient. A donor can be used more than once.

Approximately 13% of overnight trips and 25% of same-day trips that were rostered but not explored in detail will have characteristics of other people's trips assigned to them via this imputation procedure.

Source: *Statistics Canada*

B.5. Measuring outbound tourism expenditure

4.72. As mentioned in connection with the measurement of visitor flows (Chapter 3), outbound tourism expenditure can be measured at or near the border as outbound visitors return from their trip or, as in the case of domestic tourism expenditure, through the use of household-type surveys.

4.73. Under certain conditions, the measurements of a country's outbound tourism expenditure obtained through a household-type survey can be used directly or as an input for the measurement of inbound tourism expenditure in the countries visited. This is often referred to as the use of mirror statistics (see Chapter 3, Section C.2.2.4).

Box 4.8: Country Experience – Compilation of information about expenditures in Austria

In Austria sample surveys of the Austrian population proved to be the most efficient solution to gather information on domestic and outbound tourism expenditures. Every quarter a representative sample of the Austrian population is asked about their travel behaviour with the help of computer assisted telephone interviews (CATI).

In the Austrian questionnaire travel expenses include "all expenses related to the trip". During the interview it is clearly stated that goods and services, bought in the name of the traveller and made available without compensation (i.e., as a gift or invitation) should also be included (for example invitations to dinner, expenditures for goods and services). During the interview it is mentioned that imaginary rent for free accommodation should not be included.

The advantage of CATI is that the spoken text can be standardized and better monitoring of the interviews is possible. Supervisors, interviewer training, pre-tests and interviewing instructions ensure the quality of the interviews. Plausibility checks are integrated to prevent typos and outliers.
Warnings are programmed for example to pop up during the interview if the stated expenses are below specified expenditure minimums. This gives the interviewers the opportunity to mention again that expenditures made on behalf of the respondent have to be included. These consistency checks make sure that typos and outliers are identified (signals) and replaced (hard errors) immediately.

Source: *Statistics Austria*

B.6. Specific issues

Use of package tours

4.74. An important issue is whether the visitor, or his/her party, has come on a package tour, particularly for countries where package travel is prevalent (see paragraphs. 4.34. to 4.41). and the UNWTO paper on Travel Agency and Tour Operators. If so, it must then be determined where the package was purchased (so as to (help) determine where the selling travel agency resides) and what its total value and that of its components might be (even though the value of each component is usually not obtainable). Some information should also be gathered on items not included in the package, such as personal expenditures, meals or excursions not included in the package, presents, souvenirs, etc. There are some packages (e.g. a visit to attend a conference with accommodation, local transportation, meals, documents, visits to tourism attractions, etc. covered by a registration fee) that might not be perceived by travellers as formal tours (i.e. organized by a travel agency). The analyst should try to identify such situations if they are deemed to constitute a significant part of total tours.

Currencies and exchange rates

4.75. In trips to or from foreign countries, an issue of importance in some cases is that of the currency used in the different transactions, and the effect of different exchange rates on the measurement of expenditure, both for the visitor and the economy visited.

4.76. In most, but not all cases, a visitor travelling to a country different from that of his/her residence must use a different currency. The perceived cost of acquiring goods and services for and during the trip may differ according to the currency used, and possibly also according to how this currency has been acquired by the visitor (on the official market or otherwise).

4.77. It is recommended that expenditure should preferably be recorded in the currency which is easiest for the respondent to report. For example, if a purchase has occurred before departure (the case of packages purchased in the visitor's place of residence, or of international transportation booked or automobiles hired in the country of residence, or of any other prepaid transaction in the country of origin), the visitor should report the expense in his/her own currency. Compilers may need to convert such expenditures into the local currency of the country visited. Therefore, it is important that the type of currency is recorded so that conversion can take place when the data are being processed. The rule for National Accounts is to convert each transaction into the currency of reference (the currency of the country visited) at the average exchange rate (averaging the buyer and seller rates) prevailing on the date of the transaction.

4.78. In the case of a travel party, shared expenditure should be allocated to the members, either proportionally to the size of the travel party, or on the basis of an equivalent scale that takes into consideration the age composition of the travel party (e.g. how many adults and children there are). Each member of the travel party is on a trip, to which the expenditure corresponding to him/her is assigned.

4.79. Some countries that use the US dollar as a unit of account in their Balance of Payments (despite it not being the local currency normally used in transactions) require that visitors report their expenditure in that currency, so the amounts can be recorded directly under the "travel" item of their Balance of Payments. This method is not recommended, however, for two reasons. First, the US dollar is not the reference currency of all inbound visitors, so many would need to

perform an approximate conversion. And second, the compiler would then need to make a second conversion into the local currency, for tourism statistics and National Accounts purposes, generating an additional approximation.

International transport

4.80. As mentioned earlier (paragraphs 4.26 to 4.33), international transport is a challenging issue. Even when not included in a package, it is not always easy to determine whether a service provider is a resident of the economy of reference (in which case the expenditure would be recorded under inbound tourism) or of some other economy. The issue is particularly tricky in the case of air transport. It is not sufficient to enquire about the carrier used by the visitor to arrive in or depart from the country, because of the previously explained commercial practices of interlining and codesharing, and because there are multi-territory enterprises. Information obtained using visitor surveys should therefore be checked against supply-side information. Indeed, any imbalances will show up during the reconciliation of data phase. It should be noted that this usually cannot be done on an individual basis and has to be done on an aggregated basis, that is, an adjustment that has to be made once the other components of tourism expenditure have been validated.

B.7. Other issues relevant to all forms of tourism

Expenditures by others for the visitor's benefit

4.81. Tourism expenditure includes more than expenditure paid for by visitors out of their own resources; it also includes the purchase of goods and services on their behalf, by others (*IRTS 2008, 4.5.*). This is not only required by tourism statistics but also by Balance of Payments, which should include (in theory) all gifts or payments made by a resident for the benefit of a non-resident or vice versa.

4.82. It must therefore be known whether visitors pay for their expenditures directly from their own resources or whether they are provided certain items free of charge by an employer, a host, etc.—particularly as regards international transportation from home, accommodation, meals, recreation, etc.

4.83. Two situations may arise that need to be treated differently in tourism statistics, depending on the place of residence of the party paying for the expenses. A) If the residence of the visitor and the residence of the one who pays for these expenses are the same, then there is no major conceptual conflict. The expenditure is treated as if the visitor him/herself had paid for it. B) But if the expenses are paid by someone with a residence of the country visited, then a conflict does arise: from the standpoint of the visitor, the expenditure would be assigned to inbound tourism expenditure of this country; from the standpoint of who pays it is even outside the scope of tourism transactions because the person who pays is not a visitor.

4.84. Such situations can arise frequently: particularly in the case of business trips, where enterprises invite clients or the press, for instance, to familiarize themselves with new products. Another example is that of persons residing abroad, who are invited to spend time with members of their family residing in the country of reference, and who usually also do not pay themselves for most of their local expenses).

4.85. Globally, from the perspective of tourism statistics, these expenditures should be assigned to the visitor, even though he/she has not paid for them him/herself. For National Accounts and Balance of Payments (BoP) purposes a current transfer equal to the amount of the expenditure should be imputed from the actual payer to the visitor if they reside in different economies. In most cases, in particular in the case of individuals making the expenditure on behalf of the visitor, these expenditures are not estimated. In the case of businesses making the expenditure, and if accounting information is available, then the adjustment could be made.

4.86. In some cases, it might be possible for visitors to provide estimates of these expenditures. For example, a visitor on a business trip for which his/her employer has paid for transportation and the hotel stay, might know the amount paid as he or she might have signed the corresponding bill. If so, these estimates should be reviewed for validation. If not, estimates will need to be made, if possible and relevant, as part of the compilation process (because, even if unreported, these expenditures do have monetary value).

4.87. Such estimations might be necessary, in particular in the case of persons who stay at market accommodation, go to restaurants or use air transportation but are not able to report values so that these are then considered as unknown[25]. In all such cases, National Accounts' recordkeeping principles should be followed, which generally means not estimating accommodation services when guests share the host's dwellings. In the case of food prepared in the host's home, in theory (but few, if any, countries do so), estimates should be obtained where possible of the additional consumption induced by the visit (but few, if any, countries do so).

Tourism expenditure classified in the National Accounts as intermediate consumption

4.88. Some doubts may arise about a portion of tourism expenditure that is classified in National Accounts as intermediate consumption. Specifically, the *SNA 2008* states that all purchases of goods and services by employees on business trips, as well as other expenses on trips benefitting guests of all kind (i.e. those that are being invited to tourism trip related expenditures), should be classified as intermediate consumption. This is usually listed in the financial statements of companies, under the general umbrella of "public relations" (*TSA:RMF 2008, 2.32 – 2.33*).

Box 4.9: How the System of National Accounts considers goods and services provided to employees

6.220 Certain goods and services used by enterprises do not enter directly into the process of production itself but are consumed by employees working on that process. In such cases it is necessary to decide whether the goods and services are intermediate consumption or, alternatively, remuneration in kind of employees. In general, when the goods or services are used by employees in their own time and at their own discretion for the direct satisfaction of their needs or wants, they constitute remuneration in kind.
However, when employees are obliged to use the goods or services in order to enable them to carry out their work, they constitute intermediate consumption. […]
6.222 The following types of goods and services provided to employees must be treated as part of intermediate consumption: […]
e. Transportation and hotel services including allowances for meals provided while the employee is travelling on business

Source: *System of National Accounts, 2008*

[25] This points to the importance, in the questionnaire on expenditure, of making a clear difference between a zero value (estimation = 0) and an unknown value that will subsequently need to be estimated using statistical methods.

4.89. However, in tourism statistics this is handled differently. When it comes to tourism expenditure, the *IRTS 2008* is very clear about making no distinction between the macroeconomic concepts of "intermediate consumption" and "final consumption", as long as the direct beneficiary of the expenditure is the visitor (*IRTS 2008, 4.5.*). The same holds in the case of clients or suppliers directly invited on a trip by a business at the business's expense.

4.90. No such distinction is made either when it comes to setting up a TSA, since the production process by which goods and services are produced entails value added, irrespective of the economic use made of the output. For more information on this topic, see UNWTO (2004b).

Accommodation

4.91. The key point here is whether visitors use market accommodation and for how many overnights. In the case of visitors using a combination of different forms of accommodation during their stay in a country, the number of nights spent and the total value paid in each accommodation establishment must be reported. This should include all items invoiced on the bill (including taxes, as well as tips (at least in theory).

4.92. If non-market accommodation has been used, then the visitor should be asked whether he/she (or the party) has stayed: (a) with family and friends at their home, vacation home or timeshare, with or without contributing to expenses (indicating the amount of any such contribution); or (b) in the visitor's own vacation home or time share. Any amounts reported as contributing to expenses should not include gifts or payments to hosts or others not directly related to the services actually provided (which countries sometimes mistakenly treat this as a counterpart payment when in fact the supposed "counterpart services" provided are unrelated). In the case of visitors staying in their own vacation homes or timeshares, a specific set of question should be asked in order to estimate the associated expenditure (see Chapter 6, Section B.2.4).

Frequent fliers' benefits and other premiums

4.93. Most airlines have loyalty rewards programs, enabling their domestic and international customers to accumulate miles or points redeemable for tickets, upgrades, etc. Airlines may also redeem miles accumulated with other airlines or other goods and service providers (such as hotels, car rental companies, credit card companies, retailers, etc.). How should the redemption of such rewards be recorded?

4.94. Frequent fliers' miles or points are treated neither as income to the traveller (or credits against the services as they are purchased) nor as liabilities for the issuing airlines – even though points are traded among the entities involved (including entities that redeem but do not issue such points) usually at a face value of around two US cents a mile.

4.95. There are two ways to value transactions involving redeemed miles: (a) at book value, that is, the value which should have been paid without the redeemed miles; or (b) at the actual monetary cost to the purchaser:

a) Book value: In this case, the miles are considered a means of payment, the value of which exactly matches that of the discount obtained through redemption. This would imply that the airline recognizes the miles as a liability and, in a sense, emits a means of payment. But airlines do *not* view miles as a liability: many expire without ever being redeemed.

b) Monetary: In this case, the airline is considered to have recognized, at the time when the miles were earned, the frequent flyer's right to an eventual rebate, a right that is realized when the miles are redeemed. This is analogous to the promotional coupons issued by supermarkets when customers buy their products for use as payment toward future purchases, which are treated as rebates or discounts.

Between these two options, it is recommended that transactions involving miles be valued according to, and at the time of, monetary (cash) payments only. Thus they are considered as discounts. *Tourism single purpose consumer durables*

4.96. Durable goods are goods that may be used repeatedly or continuously over a period of a year or more, assuming a normal or average rate of physical usage (*SNA 2008, 9.42*).

4.97. For purposes of measuring tourism expenditure, two types of consumer durables are identified:

- Tourism single-purpose consumer durables: those that are used exclusively, or almost exclusively, by individuals while on tourism trips. A reference list of such goods is provided in (*TSA:RMF 2008, Annex 5*).

- Multiple purpose consumer durables: those that are used exclusively, or primarily, for non-tourism purposes.

4.98. According to *IRTS 2008*, all durable consumer goods purchased on trips (such as computers, cars, etc.) should be treated as part of tourism expenditure (*IRTS 2008, 4.36. (h)*).

Box 4.10: Classifying tourism single-purpose consumer durables

TSA:RMF 2008 provides a reference list of such goods.

Products[a/]	CPC Ver. 2	All countries	Optional
Airplanes and hang gliders	49611, 49622	Yes	
Motor homes or recreation vehicles	49113, 49222	Yes	
Camper vans (for example, specially equipped for travel purposes)	49222	Yes	
Travel and tent trailers	49222	Yes	
Luggage	29220	Yes	
Camping equipment (tents, sleeping bags, camping stoves, etc).	27160, 27180, 36990	Yes	
Other recreational and sporting equipment[b/]			
Motor boats, outboard engines and trailers for boats	49490, 49229, 43110	Yes	
Seadoos	49490		Yes
Sailboats with or without auxiliary motor, yachts	49410, 38420		Yes
Canoes, kayaks, and sailboards, including accessories	49490, 38420, 38440		Yes
Ski equipment (skis, ski boots, ski jackets and suits, etc.)	29420, 38440		Yes
Hunting and sports fishing equipment	29420, 38440		Yes
Sea-diving equipment	38420		Yes
Water skis and other water-sport equipment	38420		Yes
Climbing/tramping/hiking equipment	29420		Yes
Tennis or golf equipment	38440		Yes

[a/] Most of these products are parts of CPC sub-classes indicated
[b/] To be established and completed by each country according to its own situation. Items included are for illustrative purposes.

However, given the variety of country characteristics, in terms of types of activities that individuals might undertake within their usual environment and activities offered to visitors, it is recommended that countries establish their own lists of single-purpose consumer durables.

> Countries that offer winter or aquatic activities that residents can enjoy regularly within their usual environment, for example, may list different single-purpose consumer durables than those not offering such activities. For this reason, the proposed list contains two different categories of tourism single-purpose consumer durables: those that seem to be common to all countries and those that a country may wish to include due to its particular characteristics.
>
> To facilitate this process, a category common to all countries is proposed, "other recreational and sporting equipment", leaving each country to indicate the products that reflect its own typical activities, whether it be skis, water skis, tennis racquets or golf clubs.
>
> Source: (*TSA:RMF 2008, Annex 5*)

4.99. In relation to *tourism single-purpose consumer durables*, expenditure on these goods should always be included, irrespective of when this expenditure is made (*TSA:RMF 2008, 2.39 – 2.43*). This is an exception to the general rule that tourism expenditure should only include expenditure made for (i.e. before) or during a trip. This exception is made because by definition these goods are used primarily, or entirely, for tourism purposes, and thus *all* purchases of them should be included in tourism expenditure. Because tourism expenditure is usually collected by way of sampling visitors at the end of, or after they have completed, their trip, it may be necessary to use a different methodology to collect such expenditure, as expenditure on such goods after a trip is completed would not be included in such a survey. A possible methodology would be by way of sampling suppliers of such goods. Such surveys may already be conducted for National Accounts purposes. If such surveys are used as sources, suppliers will likely only provide the value of their output, whereas what is required here is the retail value (i.e. how much such goods cost the visitors). In such cases, adjustments need to be made to estimate the retail value from the suppliers' output value.

4.100. In relation to *multiple purpose consumer durables*, only expenditure on such goods purchased *during* a trip should be included. This is also an exception to the rule that expenditure incurred for (i.e. before) a trip should be included. This exception is recommended as such goods are likely be used more for non-tourism purposes after the trip is completed. This data can be collected by the recommended sample surveys of visitors at the end of, or after, their trip is completed, along with their other expenditure.

4.101. Some single purpose consumer durables may have a very high value. For tourism expenditure purposes all such goods should be included irrespective of their cost. No cut-off value should be implemented. However, National Accounts and Balance of Payments include such goods whose value is above the country's customs threshold under merchandise trade and thus exclude them from travel spending. Consequently, for purposes of comparing tourism expenditure with these frameworks, it is recommended that when collecting tourism expenditure, expenditure on these high-value goods be identified separately (*IRTS 2008, 4.36. (h)*).

Purchase of domestically produced or imported goods

4.102. The amounts paid by visitors to purchase goods during a trip should be included under tourism expenditure if acquired for the visitor's own use or to give away. All such goods, whether produced in the country visited or imported, intended for the tourism market (souvenirs, handicrafts) or a more general market, should be included as tourism expenditure[26].

[26] It should be noted that this reasoning for goods does not apply to services, in which case an imported service (most often related to transportation) is not part of tourism expenditure (see also paragraph 4.69).

Purchase of high unit value consumer durables

4.103. Estimating the purchase of high unit value consumer durables on trips (a car, a high tech product, etc.) poses a few statistical difficulties: such purchases are relatively rare but involve large expenditures when they occur (see paragraph 4.101). In a sample survey context, when weighing individual records as representative of the population, such outliers could introduce significant swings in the estimated totals and thus call for special treatment. It is recommended to exclude them from the estimation of averages, but to include them finally on a case by case decision.

B.8. Table of results

4.104. As observed in Chapter 3 with respect to international comparability, UNWTO annually collects information from countries and territories all over the world. The following data is collected by UNWTO and is disseminated in the *Compendium of Tourism Statistics*, the Organization's most comprehensive general statistical publication.

Inbound tourism	
Total	US$ million
Travel	US$ million
Passenger transport	US$ million
Expenditure per main purpose of trip	
Total	US$ million
Personal	US$ million
Business and professional	US$ million
Average expenditure per day	US$
Domestic tourism	
Average expenditure per day	US$
Outbound tourism	
Total	US$ million
Travel	US$ million
Passenger transport	US$ million
Expenditure per main purpose of trip	
Total	US$ million
Personal	US$ million
Business and professional	US$ million
Average expenditure per day	US$

4.105. Regarding inbound and outbound tourism expenditure, and because some countries still do not compile tourism data, UNWTO uses data from the Balance of Payments rather than tourism data to support as much as possible international comparisons[27]. However useful in this sense, Balance of Payments data should not be used in the overall tabulation of tourism statistics and should never be considered a substitute for tourism statistics. It is expected that, in time and as countries develop their Systems of Tourism Statistics, it will become possible to collect the countries' actual inbound and outbound tourism expenditure data.

[27] This is sourced from the International Monetary Fund's *Balance of Payments Statistics*.

4.106. It is understood that the usefulness of Balance of Payments data for national policy purposes is limited: they are merely an approximation for tourism expenditure (*IRTS 2008, Chapter 8, Section B*) and are not sufficiently detailed. A decrease in total tourism expenditure expressed in US dollars, for instance, could be attributed to different causes, including a depreciation of the US dollar or a change in the distribution of visitors and overnights.

4.107. In the case of countries that conduct expenditure surveys, "average expenditure per day" is also requested for each form of tourism, in addition to the Balance of Payments data. These might be different from the BoP data and not fully reconciled.

4.108. Besides these data and indicators, additional information useful to tourism stakeholders can include the following:

- total expenditure by country of residence (total and by category of consumption expenditure (see paragraph 4.49);
- total expenditure by purpose of visit (total and by categories of consumption expenditure);
- total expenditure by main type of accommodation (total and by categories of consumption expenditure);
- total expenditure cross-classified by country of residence, purpose of visit and main type of accommodation (total and by categories of consumption expenditure);
- average expenditure per person per day by country of residence (total and by categories of consumption expenditure);
- average expenditure per person per day by purpose of visit, (total and by categories of consumption expenditure);
- average expenditure per person per day by main type of accommodation, (total and by categories of consumption expenditure); and
- average expenditure per person per day, cross-classified by country of residence, purpose of visit and main type of accommodation

C. Measurement issues related to specific transactions

4.109. Tourism consumption in particular, but also tourism expenditure, is closely related to the National Accounts concept of "final consumption expenditure" (see Annex 2). This affects a number of specific transactions, whose treatment needs to be explained through the principles of National Accounts:

- betting and gambling;
- non-life insurance;
- durable goods to be used on a trip and resold at its termination; and
- duty free shopping by passengers in transit in the international zones of airports.

C.1. Betting and gambling

4.110. In some countries and places, betting and gambling are important activities for resident as well as non-resident visitors. When the amounts involved are significant, it is important for the sake of consistency that the measurements are made according to National Accounts principles.

4.111. For the purposes of National Accounts (*SNA 2008, 8.136.*) "The amounts paid for lottery tickets or placed in bets consist of two elements: the payment of a service charge to the unit organizing the lottery or gambling and a residual current transfer that is paid out to the winners. The service charge may be quite substantial and may have to cover taxes on the production of gambling services. The transfers are regarded in the SNA as taking place directly between those participating in the lottery or gambling, that is, between households."

4.112. This makes it necessary to treat each gambler's winnings and losses separately, whereas visitors tend to provide information on net losses only. Net gains are much less frequent and might not be reported at all, since questions usually focus on expenditure – and even if reported, the information might not be statistically significant.

4.113. Once these data have been collected, information can be obtained from gambling and betting establishments permitting the ratio of winnings to the amounts betted to be determined.

4.114. This percentage could be applied as a proxy to the net amount betted (the amount reported by visitors) in order to estimate the gross amount. The difference between the gross amount and the net amount, would be treated as the purchase of a service (and included in tourism expenditure and tourism consumption).

C.2. Purchase of non-life insurance

4.115. When planning to travel or even after starting their trips, some travellers purchase travel insurance for protection against all types of loss and damage during their journey. Such insurance often covers the loss of luggage, passports or credit cards, missed connections between different means of transport, accident, illness, etc.

4.116. In National Accounts (*SNA 2008, 6.177 and 6.184* to *6.191*) only a fraction of the premium paid for a non-life insurance policy represents the purchase of a service, i.e. the output of the insurance industry. The remaining fraction, called the net premium, represents the value of the insurance itself, i.e. the adjusted claims incurred. Only by consulting the records for the non-life insurance companies concerned in the National Accounts of the country where the policy was issued is it possible to compile the value of the purchase of non-life insurance services, that is, the only part that should be included in tourism expenditure (and tourism consumption). This adjustment (which again should be expressed as a percentage) is only worthwhile if the amounts involved are significant.

C.3. Durables to be used on a trip and resold at its completion

4.117. In some countries, non-residents are allowed to purchase a vehicle (often tax-free) upon their arrival, for use during their trip, and to resell it upon their departure from the country. Such vehicles, purchased for and used during a trip, should be reflected in a country's tourism expenditure statistics. The amount received by the visitor upon resale of the vehicle needs to be subtracted from the original purchase price, and the net value recorded as tourism expenditure. This measurement is consistent with the treatment of consumer durables acquired by households in National Accounts (see also paragraph 4.98).

C.4. Duty-free (and non-duty-free) shopping by passengers in transit in international zones of airports

4.118. As explained in Chapter 2, passengers in international transit who do not enter the economic or legal territory of the country of reference, as occurs mostly at airports, are not considered visitors. Nevertheless, while in the international area (where they have entered the country's economic but not legal territory), they can acquire goods from duty-free (and non-duty-free) shops. Such purchases should be considered tourism expenditure even though the purchaser is not a visitor to the country of reference. However, except in particularly large and heavily frequented duty-free zones at some airports, the value of such expenditures need not be calculated. There is, in any case, no way of distinguishing purchases by persons in transit from others.

Chapter 5. Classifications relevant for tourism statistics

This chapter is structured as follows. An introduction (Section A) provides a brief overview of the relevant classifications. The demand side classifications of products and the classifications applied to visitors, trips, modes of transport, purpose of trip and forms of accommodation are described in Section B. Classifications of productive activities applied in describing supply are discussed in Section C. Section D describes the reconciliation between tourism demand and tourism supply, which permits information from different sources to be compared. Classifications for tourism related occupations are considered in Section E. Finally, Section F looks into the need for linking international classifications to each country's specific classifications as well as the particular tourism reality.

A. Introduction

5.1. Classifications play a structuring role in all statistical systems. When consistent with internationally recommended standards, they make international comparisons easier and more direct. The classifications recommended for tourism statistics in, *IRTS 2008, Chapter 5* will be briefly discussed and their scope somewhat extended. Some practical guidance as to how to implement these classifications will also be provided.

5.2. The concepts, definitions and classifications in the *IRTS 2008* are designed to be consistent with those used in the recommendations for Tourism Satellite Accounts (TSA), the *TSA:RMF 2008*, which in turn has been harmonized with those in the *System of National Accounts* (*SNA 2008*), the *Balance of Payments and International Investment Position Manual, Sixth Edition* (BPM6) and the *2010 Manual of Statistics on International Trade in Services (MSITS 2010)*.

5.3. To enhance the consistency of tourism analysis with macroeconomic analysis, the classifications recommended here closely follow the general reference classifications recommended by the UN:

i. the classification of all kinds of goods and services, the so-called Classification of Individual Consumption According to Purpose (COICOP), is used for the description of tourism demand;

ii. the Central Product Classification (CPC),Ver. 2 is used for the comparison of products produced by tourism industries and acquired by visitors;

iii. the classification of productive activities according to the International Standard Industrial Classification of all Economic Activities (ISIC), Rev. 4, is used for the supply of goods and services to visitors; and finally

iv. the classification of occupations according to the International Standard Classification of Occupations (ISCO-08), is used for employment. Chapter 7 includes further information on tourism-specific occupations.

B. Demand side classifications

B.1. Classification of products from a demand perspective

5.4. As mentioned (paragraphs 4.48 – 4.49 and *IRTS 2008 Chapter 4, Section D*), from a practical perspective, it cannot be expected that visitors participating in a survey be presented with a long list of products classified by physical qualities and industrial origin (such as those based on the CPC), and have them chose amongst them. Visitors are more likely to understand a

classification of expenditure according to purpose or activities: accommodation, transport, food, etc. For instance, transportation expenditure (from a purpose perspective) might include public transportation or taxi fares as well as car rental, tolls, gasoline, small repairs, and spare parts. Each of these belongs to a different CPC category. In addition, visitors will probably classify trips according to "tourism products". These "tourism products" are actually a grouping of activities and purposes.

5.5. Therefore, the classifications of final consumption usually used by countries in Household Income/Expenditure Surveys are derived from COICOP.

5.6. This is why, in observing tourism expenditure through surveys of individuals (*IRTS 2008, 3.41*), the *IRTS 2008* recommends consistency with the COICOP classification and use of the following categories (*IRTS 2008, 4.26.*):

i. Package travel, package holidays and package tours
ii. Accommodation
iii. Food and drink
iv. Local transport
v. International transport
vi. Recreation, culture and sporting activities
vii. Shopping
viii. Others

5.7. These IRTS categories stick to a type of categorization that is familiar to most visitors. They do not focus on the specific nature of a good or service but on the need they respond to (the only exception being "package travel, package holiday and package tours", discussed in the following paragraph). For instance, food purchased for preparation by the visitor and food served in a restaurant are classified in the same category (iii. Food and drink), since both respond to the need for food. The corresponding COICOP classifications are two different classes: "11.1.1 - Restaurants, cafés and the like" in the group: "11.1 - Catering services" and all nine classes ("bread and cereals", "meat", "fish", "milk", etc.) in group "01.1 – Food". Similarly, the purchase of gasoline for a vehicle, the rental of a car or the payment of taxi fare, as previously mentioned, are classified in the same category as local transport, even though one is a good and the other a service.

5.8. The first category listed, "Package travel, package holidays and package tours" does not correspond to a function as such; it represents a mix of services acquired at the same time for a single payment. To permit comparisons and analysis of the level and structure of visitor expenditure, whether they travel on packages or not, it is recommended that this category be further broken down into its components (e.g. transport, accommodation, food, etc.) (see paragraphs 4.34 – 4.41 and 4.52 for more information on package tours).

5.9. A special issue arises when international visitors are surveyed because oftentimes the Balance of Payments classifications would also need to be considered. (This occurs when the survey needs to provide information for both tourism statistics and the Balance of Payments.) As already mentioned (see paragraph 4.44), various differences still exist between the classification recommended in the observation of tourism expenditure[28] and the breakdown suggested as a memorandum item for Balance of Payments (BPM6) (*IRTS 2008, 8.22.* to *8.25.*) which is as follows[29]:

[28] See the proposed set of question for the expenditure module of a border survey; Chapter 4, Section B.3.1.

[29] *BPM6 Appendix 9*, Standard Components and Selected Other Items

Goods
Local transport services
Accommodation services
Food-serving services
Other services
of which: *Health services*
Education services

The following paragraphs provide some insights for measurement of the "travel" and "passenger transportation" Balance of Payments' items.

5.10. As explicitly mentioned in the *IRTS 2008, 8.25:* "*International organizations have recognized the importance for countries to work internationally in a coordinated manner in order to foster joint observation procedures that would provide information for the compilation of both balance of payments and tourism statistics. This collaboration should be the basis for a better understanding of the similarities and the differences of the two focuses*".

5.11. The Balance of Payments "travel" item does not include the purchase of international transportation services, which is included under "international passenger transport".

5.12. The Balance of Payments classification requires the breakdown of package tours, which entails an additional procedure similar to the one proposed above (see paragraph 5.7).

5.13. The Balance of Payments classification stresses the difference between goods and services, a difference that is not viewed as essential in the recommended tourism classification. "Transport", for instance, would include the purchase of gas, considered a good under the Balance of Payments' classification. Within the tourism statistics classification, "Others" might also include certain goods, though most goods should be included in "Shopping", which could be considered a preliminary estimate of inbound/outbound tourism expenditure on goods for the purpose of Balance of Payments compilation. Nevertheless, in a first approximation, it might be sufficient to simply classify all expenditure other than "shopping" as services, that is, to treat "shopping" as including all purchases of goods.

5.14. Regarding the breakdown of health and education services, countries willing to use the information collected both for tourism analysis and Balance of Payments' compilation will need to ask this question directly in the questionnaire. Additional information will also need to be collected from providers of education and health services and from the institutions financing the acquisition of such services, such as universities, social insurance systems, etc., in order to cross-check this information, since in many cases there will be too few observations (in the survey of visitors) to avoid large sampling errors.

5.15. It should be recalled finally that the Balance of Payments' "travel" item is closer in concept to "tourism consumption" than to "tourism expenditure" as it also includes imputed values that are excluded from tourism expenditure (see paragraph 4.3 and *IRTS 2008, 8.10.* to *8.25.*).

5.16. When compilers reach the stage - usually prior to developing a TSA - of checking and improving coherence and consistency between sources on demand and on supply for an overview of coherence and consistency in tourism statistics), all these groupings must be further disaggregated and their components linked to CPC categories.

B.2. Classifications to be applied to visitors and trips

5.17. These classifications refer to countries (of residence, destination, etc.), to the various forms of tourism and to the demographic and socioeconomic characteristics of visitors, such as age (usually expressed in terms of age groups), gender, occupation, level of income, education, etc. (see Chapter 2, Section C.2. and *IRTS 2008, 3.6. to 3.8.*).

- *Country of residence and of nationality* should be determined for inbound and outbound tourism, using the UN Standard Country or Area Codes for Statistical Use. It should be emphasized once more that, in the case of international tourism, visitors should be classified according to their country of residence, not their country of nationality, which in a globalized world, will tend to be increasingly different (see paragraph 2.9 and *IRTS 2008 Chapter 2 Section B.3*.). Countries are nonetheless encouraged to develop significant groupings to meaningfully observe visitors arranged according to each of these criteria, using a sample survey of reasonable size.
- *Forms of tourism should be determined according to, IRTS 2008, 2.39. and 2.40.*
- *Visitors and other travellers* should be separately categorized for inbound and outbound tourism (*IRTS 2008, Fig. 2.2.*).
- *Characteristics of the visitor*: ILO and UNESCO international standards should be used, as adjusted by countries (see Chapter 2, Section C.2 and *IRTS 2008, 3.6. to 3.8.*).

5.18. Other classifications are specific to tourism analysis (see Chapter 2, Section C. and *IRTS 2008, 3.9.* to *3.38.*) and have to do with duration of trip, purpose of trip, modes of transport used and types of accommodation.

- *Duration of trip*, the international recommendation requires only that same-day visitors (excursionists) be separated from overnight visitors (tourists). Given the trend towards shorter stays, however, it might also be useful to group classes of duration in terms of the number of nights stayed. Visitors staying fewer than four nights, for instance, could constitute a special grouping (as they do in Europe, for example). Note that while visitor stays are measured in terms of numbers of nights, average expenditure is usually measured in terms of "*average expenditure per day*" (see Chapter 2, Section C.1.3.).
- *Main purpose of trip*: six main categories have been identified (see Chapter 2, Section C.1.1 and *IRTS 2008, Fig. 3.1.*). Countries are reminded that travellers taking trips for the purpose of being employed, or to enter an employer-employee relationship with a business in the place visited, should not be considered visitors *(IRTS 2008, 2.35*. to 2.38.). For international tourism, it might not be sufficient to rely solely on immigration data for the purpose of excluding such travellers; specific questions on this point should perhaps be included in a survey of such travellers. And again, when creating new categories, care should be taken to observe these new categories properly, with a sufficient number of cases if sampling is conducted.
- *Modes of transport:* a UNWTO standard classification is proposed (see Chapter 2, Section C.1.5 and *IRTS 2008, Figure 3.2.*).
- *Types of accommodation*: no classifications are proposed at present, but countries should consider the development of two different types: one for the providers of accommodation services, based on *ISIC Rev. 4*; and another for their output (accommodation services), based on *CPC Ver. 2* (see paragraph 5.30 and Chapter 2, Section C.1.6). Classifications of market accommodation providers should properly identify the main categories, without mixing market and non-market providers. This is

important: whether visitors use market or other forms of accommodation makes a significant difference in terms of expenditure and the demands placed on tourism infrastructure. There are also variations within categories. Visitors might stay at non-market accommodations involving or not a production process (see Chapter 6), use market accommodation provided by small, unorganized businesses (possibly beyond the reach or scope of licensing procedures), stay at organized businesses, or even use no form of accommodation at all (e.g. staying in their car or boat, sleeping on a bench, or pitching their tent in the wild, outside designated camping areas). Since a visitor might use more than one type of accommodation during a trip, it should be emphasized that data obtained from surveys conducted at accommodation establishments refer only to overnights in that specific type of accommodation, while information gathered through household or visitor surveys allow all possible types of accommodation to be identified and the number of overnights in each to be specified.

5.19. Visitors are classified either as tourists (i.e. overnight visitors) or excursionists (i.e. same-day visitors) (*IRTS 2008, 2.13.*).

C. Supply side classifications: List of tourism characteristic products and activities

5.20. Tourism characteristic products are defined in *IRTS 2008, 5.10.* Tourism characteristic products comprise two subcategories a) internationally comparable tourism characteristic products and b) country-specific tourism characteristic products (*IRTS 2008, Figure 5.1.*).

5.21. Tourism characteristic activities (also referred to as "tourism industries") are productive activities that provide goods and services identified as tourism characteristic products as their typical output. A list of such activities, grouped according to the main categories and products concerned, is provided in *IRTS Annex 4* (*IRTS 2008, Figure 5.1.*).

5.22. *IRTS Annex 3*, "List of tourism characteristic activities (tourism industries) and grouping by main categories according to *ISIC Rev. 4* and explanatory notes", includes the productive activities of tourism industries and the corresponding *ISIC Rev. 4* explanatory note for each. In that connection, the following issues should be kept in mind:

- The list uses the term "*Accommodation for visitors*" instead of "*collective accommodation*", which was widely used in the 1993 Recommendations on Tourism Statistics.
- As mentioned earlier in the case of products (see paragraph 5.25), the category "Accommodation for visitors" encompasses not only accommodation activities but also certain real estate activities (those related to the rental of homes, second homes and timeshare properties).
- Passenger transportation needs to be identified separately within transportation activities, to avoid an overrepresentation of transportation activities within tourism industries in terms of GDP and employment.

5.23. Special mention should be made of the categories "*accommodation for visitors*" as an activity, and "*accommodation services for visitors*" as a product. Since accommodation for visitors is consumed almost exclusively by visitors, it is a product of particular interest for tourism statistics. Countries are encouraged to review their national supply of those services and the organization of production and define detailed classifications of products and activities that would be relevant for tourism analysis in their national context.

5.24. From the point of view of services provided, this classification should be based on a list not of labels (hostels, bed and breakfasts, guest houses, etc.), which represent very different realities from country to country, but of clearly identified characteristics associated with the services: size (in particular, the minimum number of accommodation units to be managed together as an economic unit), types of accommodation units managed (with definitions in order to distinguish between rooms, suites and apartments), specific conditions of the rooms and general structure of the building, types of services available (daily housekeeping, food serving, swimming pool, access to golf course, etc.) and types of freely available amenities. These characteristics should be easily identifiable by visitors so that, when surveyed, they can indicate the type of accommodation they have used (that is, the type of "accommodation for visitors" product they have consumed).

5.25. Countries whose tourism authorities manage official licensing procedures are recommended to establish related classifications in close alignment with the above categories, allowing for the fact that licensing procedures often concern producers (establishments) rather than products but nonetheless refer to the main products they produce. Households that occasionally rent rooms to visitors, for instance, might or might not be licensed but should still be classified in tourism statistics in terms of activities as well as of products they deliver.

5.26. Additionally, in order to understand the structure of visitor expenditures, it might be useful to differentiate as sub-products the various "packages" offered by market accommodation providers (with a single payment covering accommodation as well as a combination of related services: breakfast, half board, full board, or "all-inclusive"). Depending on the package selected, a visitor might require different additional services from other providers (a marketing issue) and spend under other headings of expenditure (a structure of expenditure issue).

D. Reconciliation between tourism demand and tourism supply

5.27. As long as the description of tourism is confined to demand, it is sufficient to use the COICOP classification for expenditure, possibly somewhat adapted to accommodate for also Balance of Payments needs.

5.28. However, when trying to set up a System of Tourism Statistics (*STS*) and to reconcile the tourism supply and demand perspectives, information must be obtained on both in a unique classification, permitting information from different sources to be compared and for consistency to be checked.

5.29. It is recommended that this unique classification be aligned with the Central Product Classification (CPC), the international classification of goods and services based primarily on the physical nature and main use of products. The CPC is used in all macroeconomic frameworks covering the production, supply and use of products in an economy, and is also referred to by all countries in setting up their National Accounts.

5.30. The *IRTS 2008* proposes the use of tourism statistics classifications that are directly derived from the *CPC Ver. 2* for classifying products (goods and services) and from the *ISIC Rev. 4* for classifying productive activities. This enables international comparisons among countries.

5.31. These tourism statistics classifications provide groupings of products and activities, based respectively on the *CPC Ver. 2* and *ISIC Rev. 4*, so as to best reflect the importance of (a) specific products and activities for the analysis of tourism expenditure, while also showing (b) the categories of the major providers of these goods and services to visitors. These are called tourism characteristic products and tourism characteristic activities, respectively.

5.32. While tourism expenditure could include any consumption goods, services and valuables, as noted in paragraph 4.15 above and explained in the, *IRTS 2008, 4.4*., the detailed international comparability of tourism expenditure and supply will be limited to *tourism characteristic products* and related activities (*IRTS 2008, 5.9*.). Tourism characteristic products are those that satisfy one or both of the following criteria (*IRTS 2008, 5.10*):

(a) Tourism expenditure on the product should represent a significant share of total tourism expenditure (share-of-expenditure/demand condition).

(b) Tourism expenditure on the product should represent a significant share of the supply of the product in the economy (share-of-supply condition). This criterion implies that a tourism characteristic product would cease to be supplied in meaningful quantities in the absence of visitors.

5.33. *IRTS Annex 2* "List of consumption products grouped by purpose, according to their categorization as internationally comparable tourism characteristic products", covers products potentially belonging to these categories according to the classification of demand by purpose (enumerated in paragraph 5.6). The aim of this list is twofold:

(a) To identify those products that should be considered for international comparability purposes; and

(b) To pinpoint other products grouped under the same COICOP functions that some countries might consider relevant for analysis. It should be mentioned that the list of products included in this last category could have been expanded; the intention in including only some of them was to encourage countries to consider developing their own lists of *country specific tourism characteristics products* and *tourism connected products.*

5.34. In tourism statistics, the heading "accommodation services" includes, beyond those considered traditionally as such, also items associated with the provision of shelter that likewise pertain to production but are related to residential property rental or leasing services and transactions involving time-share property (CPC Division 72). These items include the following:

72111	Rental or leasing services involving own or leased residential property
72123	Trade services of time-share properties
72211	Residential property management services on a fee or contract basis except of time-share ownership properties
72221	Residential building sales on a fee or contract basis, except of time-share ownership properties
72223	Sale of time-share properties on a fee or contract basis
85521	Reservation services for accommodation
85552	Time-share exchange services

5.35. Although it is a TSA issue, it should be mentioned that tourism statistics also include the production of accommodation services on own account principally associated with the ownership of vacation homes, even though these are not considered within the scope of *CPC Ver. 2*.

5.36. As mentioned in the, *IRTS 2008, 5.37.* to *5.43.* it is not possible at present to establish a standard list of tourism-related goods acquired for and during trips that would be meaningful worldwide. Consequently, each country will have to determine which consumption goods and valuables qualify as tourism characteristic products to be recorded as country-specific tourism characteristic goods (paragraph 5.21).

5.37. Two categories of goods that might be relevant in some countries are not identified as such in *CPC Ver. 2* (and that countries would need to point out if included as tourism characteristic products):

- *Valuables (IRTS 2008, 4.4 and 4.36(h)),* defined as produced goods of considerable unit value that are not used primarily for purposes of production or consumption but are held as stores of value over time; they consist of precious metals and stones, jewellery, works of art, etc. Countries where tourism expenditure on such goods is relevant should consider including them in their list of country-specific tourism characteristic (or connected) products.
- *Handicrafts (IRTS 2008, 5.38),* defined as goods produced following traditional techniques that are often vehicles of local culture and are identified essentially by how they are produced, their design and their link to the traditional cultures of local communities. As such, they are usually not directly identifiable in the international CPC classification of products, in which the mode of production is not a classification criterion. As a consequence, unless their supply within a specific category of goods is significant enough to justify the creation of a special category within the national classification of goods derived for CPC, or unless a CPC category can be further segmented into handicrafts and others, countries might not be able to incorporate specific handicrafts (or all handicrafts) into the system as country-specific tourism characteristic products. For the purpose of the *STS*, it might nonetheless be relevant to mention this category.

5.38. Regarding the *IRTS 2008* list of tourism characteristic consumption products (*IRTS 2008, Figure 5.1.*) it should be noted that the 12 above-mentioned categories of such products are also those used in the TSA tables. While categories 1-10 are used for international comparability purposes and are thus standardized, it is up to individual countries to define and develop categories 11 and 12. Countries having identified products in those categories should enumerate the corresponding CPC Ver. 2, categories, for possible comparisons with other countries.

E. Employment: classification of occupations

5.39. Following the endorsement in 2008 of the International Standard Classification of Occupations (ISCO-08) by the Governing Body of the International Labour Organization (ILO), the development of a set of ISCO-08 "thematic groupings" or "views" for certain groups of occupations has been proposed. Thematic views are a standard alternative way of aggregating occupational data classified at the 4-digit level of ISCO, such as the kinds of goods or services produced or the field of knowledge concerned. When needed, and in order to satisfy key analytical and policy requirements, they should aggregate occupational data independently of skill level, the overriding criterion used to organize occupations into groups in ISCO.

5.40. Tourism has been proposed as one of those thematic groupings. Others include agriculture, construction, education, health and information and communications technology.

5.41. In order to define the concept of "tourism occupations" it is therefore especially important to clearly identify the purpose of doing so. Key purposes might include the following:

a) to measure the total number of persons employed in tourism industries, name the occupations, and measure the numbers and characteristics of those employed in these occupations;

b) to identify and measure skill shortages and training requirements that need to be addressed to facilitate the development of tourism.

Users of data based on "tourism occupations", e.g. number of employed persons, should be aware that the information is debatable when these occupations serve both tourists and non-tourists.

5.42. A matter remaining for discussion is whether all or only a subset of the identified occupations are of interest.

5.43. From the perspective of the availability of internationally comparable statistics about tourism-related occupations that could become available in the medium term, ILO and UNWTO understand that creating a predefined grouping of occupations for tourism is not straightforward. Occupations could be selected in the short term based on an analysis of ISCO definitions. This approach would be partially intuitive, however, unless occupational data to support the selection process are available, see also Chapter 7.

F. Adapting international classifications of products and activities

5.44. International classifications have two principal objectives: to allow for international comparability and to provide a model for the development of national classifications. Each country's classification, however, should reflect its own needs and realities without compromising the comparability of its tourism information, vis-à-vis past years and other countries.

5.45. The level of disaggregation of the international classifications for tourism set forth in this chapter corresponds to classes (4 digits) in ISIC Rev. 4 and subclasses (5 digits) in CPC Ver. 2 that actually foster international comparability. Each country, however, should adapt these classifications to reflect its national tourism reality, in terms of both tourism characteristic products and tourism productive activities.

5.46. Countries should begin by working on the national classification of tourism products. They should, in an initial phase, identify at the greatest possible level of disaggregation the products of particular interest for the analysis of national tourism. In a second phase, the characteristic products specific to the country, included in categories 11 and 12 (*IRTS 2008, Figure 5.1.*), should then be identified.

5.47. Also, as mentioned in paragraph 5.32, it might be useful, in identifying products under "accommodation for visitors", to differentiate as sub-products the various "packages" offered by accommodation providers.

5.48. The codification of such products of particular interest to a country should not alter the international CPC subclass code to be disaggregated; it should expand it with additional digits (a 6th or even 7th digit). This prevents the same code from designating different contents at the national and international levels.

5.49. Each country should provide an explanatory note about the scope (definition and description) of the products of national interest included in the national classification.

5.50. Finally, country-specific tourism-connected consumption products should then be identified, distinguishing between goods and services.

5.51. The process of identifying a national economy's tourism characteristic products will simultaneously serve to identify its tourism characteristic *activities,* which are defined on the basis of their typical outputs or products (*IRTS 2008, 5.11.*).

5.52. However, each of a given accommodation establishment's services (rooms with daily housekeeping services, bungalows without such services, timeshare management, etc.) will need to be separately identified.

5.53. The following is an example of how the 3-digit *ISIC Rev. 4* group "short term accommodation activities" might be further disaggregated into nationally defined classes (4-digits) of specific interest:

Table 5.1: Further disaggregation of accommodation activities

ISIC Rev.4		National classification	
5510	Short term accommodation activities	5511	Hotels and similar
		5512	Resorts hotel
		5513	Apartments, bungalows
		5514	Bed and breakfast
		5515	Pensions and guesthouses
		5516	Youth hostels
		5517	Mountain shelters
		5519	Other

5.54. Each country should develop tables to show how its national classification of tourism characteristic or connected products relates with (see Box 5.1):

a) COICOP and the classification of tourism consumption by purpose.
b) *CPC Ver. 2.* and the national classification of products used in structural statistics.
c) The classification of products within the country's System of National Accounts.
d) Classifications to be used in the TSA tables (included in the *TSA:RMF 2008*).

5.55. It should prepare similar tables showing how its national classification of tourism characteristic *activities* relates with (see Box 5.2):

a) *ISIC Rev. 4* and the national classification of economic activities used in structural statistics.
b) The classification of industries within the country's system of National Accounts.
c) Classifications to be used in the tables included in *TSA:RMF 2008*.

5.56. All other products circulating in the economy, including those potentially consumed by visitors ("consumption products"), or not ("non-consumption products"), will be grouped (in one or more categories if of interest) and presented globally in the tables, to meet the values of macroeconomic aggregates presented elsewhere in the National Statistical System (National Accounts, for instance).

Box 5.1: Correspondence tables

There are a number of so-called correspondence tables (showing the correspondence between various classifications systems) available that can support countries in drawing up the relational tables mentioned, including:

- United Nations Statistics Division: Correspondence tables
- Eurostat: Correspondence tables
- United States Census Bureau: Concordances

Box 5.2: Country example – Correspondence table in Brazil

The table below shows the correspondence between CNAE 2.0 and 1.0 for the Tourism Characteristic Activities.

Table 5 - Correspondence between the classes of the characteristics of tourism activities and National Classification on Economic Activities - CNAE 1.0 version and 2.0 version of CNAE

Description	CNAE 10 classes	CNAE 2.0 classes
Accommodation services	55.13+55.19	55.10 + 55.90
Food and beverage services	55.21+55.22+55.29	56.11 + 56.12
Subway and train transport	60.29	49.50
Road transport	60.24+60.25	49.22 + 49.29
Airplane transport	(1) 62.10 + (1) 62.20	51.11 + 51.12
Boat transport and Auxiliary transport services	(1) 61.11 + (1) 61.12+61.21+63.21+63.23	(1) 50.11 + (1) 50.12 +50.99+50.22+52.22+52.40
Travel agencies and tour operators	63.30	79.11 + 79.12 + 79.90
Vehicles rental	71.10	77.11
Entertainment, cultural and sports activities	92.13+92.31+92.32+92.39+92.51+ 92.52+92.53+92.61+92.62	59.14+90.01+90.02+90.03+91.01+ 91.02+ 91.03+ 92.00+93.11+93.12+93.19+93.21+93.29

Source: IBGE, Survey Directory, National Accounts Coordination.

(1) Partially related to Tourism Typical Industries (passenger transport).

Chapter 6. Measuring the supply of tourism industries

This chapter is structured as follows. Section A begins with an introduction to the particularity, and relative novelty, of measuring tourism from the supply perspective. It continues with a discussion of the tourism relevant statistical units, sources, and proposed tables of results, all of which are rooted in industry statistics and National Accounts. The next sections (B to F) delve into some of the main tourism industries, with a particular focus on the accommodation service providers (Section B), followed by providers of food and beverage services (Section C), providers of transport services (Section D), travel and reservation agencies (Section E), and some other industries (not considered tourism characteristic but which may be very relevant for tourism) like the production and trade of handicrafts and the meetings industries (Section F).

A. Introduction

6.1. Tourism is defined as an economic activity that is determined principally by demand (*IRTS 2008, 1.12.*). In describing and measuring tourism, however, supply (economic activity in response to demand) must also be considered, since without it, the economic effect of tourism could not be stated or described. Indeed, one of the major contributions of the *IRTS 2008* is the fact that it describes tourism not only from the demand side (i.e. visitors) but also from the supply side (i.e. the industries that cater to visitors), thereby acknowledging tourism as an economic sector.

6.2. Additionally, to properly integrate the analysis of tourism into that of the total economy, it must be ensured that what is measured on the supply side is consistent with what is measured on the demand side. Even though the overall coherence and consistency of the data is often only specifically pursued when setting up a TSA, countries are encouraged to work on ensuring data consistency as part of their development of tourism statistics for a number of reasons (see also Chapter 8 Section A). Such consistency enables comparison of data over time, as well as comparison with other countries' data.

6.3. Tourism statistics have traditionally focused on the demand side and on physical data and indicators. The *IRTS 2008* bring a new focus to the supply perspective:

- Tourism supply is approached as the *direct* provision to visitors of the goods and services that correspond to tourism consumption.
- The processes, production costs and economic performance of suppliers belonging to the tourism industries are described.
- The establishment is identified as the observation unit (*IRTS 2008, 6.7.* to *6.13.*), see also Box 6.1 and Box 6.2.
- The relevance of administrative and business records for the development of a national Systems of Tourism Statistics (STS), particularly in developed countries, is underscored. For more detail on available sources, see Section A.2.

6.4. Tourism statisticians should be aware of an issue that bears on the credibility of the tourism industries' basic data and indicators (see "Tables of results", paragraphs 6.21 to 6.23) and that National Tourism Administrations (NTAs), National Statistical Offices (NSOs) and other government agencies that publish tourism data should warn users about: only part of the output of each tourism industry is attributable to visitors' consumption. This issue is explicitly identified and treated in the TSA by the use of "tourism shares" (or "tourism ratios") within their total output (*TSA:RMF 2008, 4.50.* and *4.55.*).

6.5. It should also be recalled that visitors acquire goods and services that are not tourism-specific (newspapers, clothes, medical care[30], cleaning, hairdressing, etc.), so that studying tourism characteristic activities does not cover all possible acquisitions by visitors (*IRTS 2008, 4.4.*).

Box 6.1: Enterprises, establishments and industries in SNA 2008

"The majority of enterprises engage in only one sort of production. The majority of production, though, is carried out by a relatively small number of large corporations that undertake many different kinds of production, there being virtually no upper limit to the extent of diversity of production in a large enterprise. If enterprises are grouped together on the basis of their principal activities, at least some of the resulting groupings are likely to be very heterogeneous with respect to the type of production processes carried out and also the goods and services produced. Thus, for analyses of production in which the technology of production plays an important role, it is necessary to work with groups of producers that are engaged in essentially the same kind of production. This requirement means that some institutional units must be partitioned into smaller and more homogeneous units, which the SNA defines as "establishments". ***An establishment is an enterprise, or part of an enterprise, that is situated in a single location and in which only a single productive activity is carried out or in which the principal productive activity accounts for most of the value added.*** Further, the SNA defines industries in terms of establishments. ***An industry consists of a group of establishments engaged in the same, or similar, kinds of activity.*** In the SNA, production accounts and generation of income accounts are compiled for industries as well as sectors."

Source: *System of National Accounts, 2008, 5.2.*

6.6. In the following sub-sections of Section A, some issues are discussed relating to the industry data (including tourism characteristics industries) that is collected – usually by NSOs – for National Accounts (and TSA) purposes. However, for more detailed explanation of the issues involved in such collections, readers should consult the relevant UN system publications, (such as the Eurostat-OECD Manual on Business Demography Statistics). Also, in most countries, the NSO will have produced explanatory notes explaining the methodology, concepts and definitions involved in their collection of such economic data, to which the reader is also referred.

6.7. Observation of the tourism industries' productive activities is quite straightforward and follows general recommendations for the observation of any economic activity.

6.8. When focussing on supply, it is important to use NSO-developed production surveys, and also for NTA officials to understand how these surveys are designed and implemented.

A.1. Defining the Statistical Unit

6.9. For the analysis of production and production processes, the establishment is the most suitable unit from which to gather data, for tourism statistics as well as the TSA and System of National Accounts. "Establishment" is defined as "*an enterprise, or part of an enterprise, that is situated in a single location and in which only a single productive activity is carried out, or in which the principal productive activity accounts for most of the value added*". (see also Box 6.1).

6.10. Establishments are where visitors are actually served, and their analysis usually entails a geographical dimension: restaurants belonging to a chain, for instance, will receive greater or lesser visitor flows depending on where precisely they are located, even within a

[30] Medical care might be a tourism-specific product in some destinations.

city.

Similarly, establishments belonging to the same hotel chain but situated in different parts of a country – in its capital city, at the beach or at other resort locations – will each receive different categories of customer and be subject to different types of seasonality.

Box 6.2: Economic activities and statistical units

Establishment
As statistical unit it is used for the analysis of transactions in goods and services and for compilation of the production account. The concept of the establishment combines both a kind-of-activity dimension and a locality dimension (see below).

Enterprise
It is used as the statistical unit for compilation of income accounts, accumulation accounts and balance sheet accounts.

Enterprise group
Enterprises under the control of the same owner form a group. Integration economies lead to formation of vertical groups, where an enterprise takes control over another enterprise. An enterprise group is a set of enterprises controlled by the group head. The group head is a parent legal unit which is not controlled either directly or indirectly by any other legal unit.

Kind-of-activity unit
It is an enterprise or part of an enterprise that engages in only one kind of productive activity or in which the principal productive activity accounts for most of the value added. Compared with the establishment, in the case of such a unit, there is no restriction on the geographic area in which the activity is carried out but it is characterized by homogeneity of activity.
Local unit: Enterprises often engage in productive activity at more than one location, and for some purposes it may be useful to partition them accordingly. Thus, a local unit is defined as an enterprise or a part of an enterprise which engages in productive activity at or from one location. The definition has only one dimension, in that it does not refer to the kind of activity that is carried out.

Unit of homogeneous production
Establishments are designed to be units that are more suitable for analysis of production in which the technology of production plays an important role. However, the appropriate analytical unit for the purposes of input-output analysis is a unit of homogeneous production that is defined as a production unit in which only a single (non-ancillary) productive activity is carried out. Units of homogeneous production are independent of the location of the activity.

Local kind-of-activity unit
The local kind-of-activity unit is the part of a kind-of-activity unit which corresponds to a local unit. Each kind-of-activity unit must have at least one local kind-of-activity unit.

Local unit of homogenous production
The local unit of homogenous production is the part of the unit of homogeneous production which corresponds to a local unit. This corresponds to the definition of an establishment which would have only one homogenous activity.

Source: *Eurostat and SNA 2008, Glossary of terms*

6.11. In the case of transport however (excluding local transport), visitors are served by establishments that are not really relevant, as they consist mainly of ticket offices. Management is usually centralized and can give information if needed for all origins and destinations, and this is what matters. In this specific case, the relevant unit might be the enterprise.

A.2. Sources

6.12. Information on industries, their output, inputs, and employment is gathered mainly through surveys, which NSOs usually conduct on a yearly basis, covering all economic activities. The economic data thus collected is usually required for calculating the country's National Accounts, for example calculating Gross Domestic Product, Gross Value Added, etc.

6.13. These surveys are currently well established and have a standardized format, based on the *International Standard Industrial Classification of All Economic Activities* (ISIC) categories (agriculture, mining, manufacture, etc.).

6.14. These surveys are based on a statistical sample, often designed on the basis of periodical censuses or administrative data used to generate business registers. If not appropriately updated, these registers will generate biases in the estimation of actual changes over time, mainly when activity is concentrated in small units of production. As previously noted, in the case of tourism, these business registers might or might not be tied to a specific licensing procedure for activities mainly dedicated to serving visitors (see Eurostat-OECD, *Manual on Business Demography Statistics*).

6.15. These surveys often concentrate on larger units, with thresholds expressed in terms of annual income, capital or employment. This design generates structural under-representation and under-estimation of activities (and sub-activities) where small units predominate (which is the case of some tourism industries, especially those engaged in food service, accommodation and local land transportation). These surveys also, in some countries, tend to concentrate on large, industrial cities, whereas tourism is distributed differently within the economic territory, and this needs to be taken into consideration.

6.16. The content of the questionnaires needs to be adapted to the different activities to be observed and to their specific characteristics. Accommodation providers, for instance, often include in the bill various items beyond the product actually purchased (e.g. a head count, a sales tax or VAT as a percentage of total consumption, and a proportional compulsory service charge), and visitors may also choose to add tips. All these payments count as part of the value of consumption, but providers usually do not include them as income in their financial statements, treating them as income received on behalf of others. Taxes and head counts, for example, are collected for governments (local or central); service charges and tips usually go to workers, as employee compensation. In measuring supply, taxes on the product will need to be excluded but tips and service charges will have to be included, as part of value added and remuneration of employees.

6.17. UNWTO (2003) suggested that certain administrative records should also be used for tourism. Besides information produced by the International Air Transport Association (IATA) on flows of international visitors, extensive research was conducted on the possible use of fiscal information (income tax and VAT invoices) and their combination with business registers, or use as a source for updating registers and obtaining specific additional information on income, costs, employment, etc. based on the experience of many countries (including Canada, France, the Netherlands, New Zealand, Spain, the United Kingdom and the United States).

6.18. The use of administrative records is particularly important and recommended as a best practice in statistical procedures: they can be collected free of charge and no additional burden is created for respondents, a sensitive issue in most countries.

6.19. As a final remark, it must be observed that in setting up the STS, compilers will generate new sources of information, work more carefully with existing sources and draw on all useful information available from the National Statistical System (NSS). Information processed to build the National Accounts will be particularly useful, having already been subjected to consistency checks and integrated within a supply and use framework.

6.20. For many activities – such as food service, certain forms of transport, tourist guide services, handicrafts and even accommodation – a multiplicity of informal providers are often excluded from business registers, and thus overlooked by traditional observation systems. National Accounts compilers need to estimate them nonetheless, even if roughly, to complete the universe, mainly from the income side, see SNA 2008, chapter 25, "Informal aspects of the economy". These estimations are closer to what the *STS* seeks to measure. Such estimates will also be useful in compiling a TSA.

A.3. Tables of results

6.21. The information to be collected from establishments in tourism industries, refers to:

- Number of production establishments and their classification by size (derived directly from business registers for organized businesses);
- Output: its valuation should be at basic prices, that is, excluding taxes on products, but including all additional charges that clients have to pay;
- Intermediate consumption;
- Value added;
- Compensation of employees;
- Investments (labelled as "Gross fixed capital formation");
- Relevant non-monetary indicators that illustrate the level of potential and actual activity. These indicators might be different for each tourism industry.

6.22. Since the aim of this *Compilation Guide* is to help countries implement the new *IRTS 2008* and develop a national STS, the data to be obtained should serve both national purposes and international comparability. Data useful for national purposes will be much more detailed than those needed for international comparability.

6.23. Regarding international comparability, the following dataset for tourism industries (including basic data and indicators) will be requested annually by UNWTO from member and non-member countries and will be disseminated in the *Compendium of Tourism Statistics*, UNWTO's most comprehensive statistical publication.

Table 6.1: Example table of results – tourism industries

COUNTRY X			
Basic data and indicators		**Units**	**YEAR X**
4.	**TOURISM INDUSTRIES**		
	Data		
	Number of establishments		
4.1	Total	Units	..
4.2	♦ Accommodation for visitors	Units	..
4.3	* of which, "hotels and similar establishments"	Units	..
4.4	♦ Food and beverage serving activities	Units	..
4.5	♦ Passenger transportation	Units	..
4.6	♦ Travel agencies and other reservation services activities	Units	..
4.7	♦ Other tourism industries	Units	..
	Accommodation for visitors in hotels and similar establishments		
	Monetary data		
4.8	♦ Output	US$ Mn	..
4.9	♦ Intermediate consumption	US$ Mn	..
4.10	♦ Gross value added	US$ Mn	..
4.11	♦ Compensation of employees	US$ Mn	..
4.12	♦ Gross fixed capital formation	US$ Mn	..
	Non-monetary data		
4.13	♦ Number of establishments	Units	..
4.14	♦ Number of rooms	Units	..
4.15	♦ Number of bed-places	Units	..
	Indicators		
4.16	Occupancy rate / rooms	Percent	..
4.17	Occupancy rate / bed-places	Percent	..
4.18	Average length of stay	Nights	..
4.19	Available capacity (bed-places per 1000 inhabitants	Percent	..
	Travel agencies and other reservation service activities		
	Monetary data		
4.20	♦ Output	US$ Mn	..
4.21	♦ Intermediate consumption	US$ Mn	..
4.22	♦ Gross value added	US$ Mn	..
4.23	♦ Compensation of employees	US$ Mn	..
4.24	♦ Gross fixed capital formation	US$ Mn	..
	Non-monetary data		
	♦ Domestic trips		
4.25	* with package tour	Percent	..
4.26	* without package tour	Percent	..
	♦ Inbound trips		
4.27	* with package tour	Percent	..
4.28	* without package tour	Percent	..
	♦ Outbound trips		
4.29	* with package tour	Percent	..
4.30	* without package tour	Percent	..

B. Accommodation service providers

6.24. Accommodation services usually represent a substantial part of total visitor expenditure and accommodation services providers are often considered one of the most typical tourism characteristic activities besides passenger air transport, travel agencies and to a certain degree souvenir and handicrafts industries. In many countries, the only available statistical information on tourism industries pertain to visitor accommodation providers, an

activity where the link between supply and tourism demand is particularly obvious and strong: visitors consume a very substantial part (in some cases close to 95%) of their characteristic supply. Few other industries, with the possible exception of travel agencies, are so highly dependent on tourism demand.

B.1. Categories

6.25. There are two broad categories of visitor accommodation providers:

- market providers, which receive payment for their services (subcategories B.1.1 and B.1.2 following); and
- non-market providers, which accommodate visitors free of charge (subcategories B.1.3 and B.1.4 following).

Subcategories B.1.1 and B.1.2 are defined in ISIC terms; the other two are not. Additionally, B.1.4 ("owner-occupied vacation homes and timeshares") is a TSA concept: its definition requires an understanding of National Accounts and the conceptual background behind them – and in particular why and how the services provided by fully-owned or other types of arrangements such as timeshares, should be measured (*TSA:RMF 2008, Chapter 2, Section B.3.3*).

6.26. Most overnight visitors use paid or free accommodation services, but may spend some nights travelling (on a train, airplane or boat, in a car, or elsewhere). Cruise ships are a particular case (see paragraph 3.39). Often viewed as "floating hotels" they combine accommodation and transportation services as a single product, whose components cannot be identified or measured separately.

B.1.1. Providers of market accommodation services classified under "Accommodation" (ISIC Division 55)

6.27. As explained in Chapter 5 (see paragraphs 5.29 to 5.30), countries will need to define a classification of accommodation providers compatible with their licensing systems (if they have them), and of other informal or occasional market service providers.

6.28. In the absence of an effective licensing or organizational scheme system, or in the case of operators functioning outside such schemes, it is very challenging to identify and measure the supply of such operators, except possibly through household surveys or population and housing censuses. Traditional housing censuses collect data in the fields through a full enumeration conducted in a relative short period of time. Housing census are cost and time intensive and many countries move away from the traditional census and adopted an alternative methodology using of data from registers combined with data from other sources.

Table 6.2: ISIC Division 55 – Accommodation

Division	Group	Class	Description
Division 55			**Accommodation**
	551	5510	Short term accommodation activities
	552	5520	Camping grounds, recreational vehicle parks and trailer parks
	559	5590	Other accommodation

B.1.2. Providers of market accommodation services classified under "Real estate activities" (ISIC Division 68)

6.29. The classification of accommodation services providers usually focuses on activities under ISIC Division 55. Nevertheless, in some countries, real estate activities, either with leased property or on a fee or contract basis for short term or vacation accommodation (IRTS Annex 3 Explanatory notes for ISIC 6810 and 6820), are relevant and should be separately identified and measured (renting for longer periods of time; renting through a renting intermediary, etc.).

Table 6.3: ISIC Division 68 – Real estate activities

Division	Group	Class	Description
Division 68			**Real estate activities**
	681	6810	Real estate activities with own or leased property
	682	6820	Real estate activities on a fee or contract basis

B.1.3. Providers of non-market accommodation services free of charge: visitors staying with friends and relatives and barter transactions

6.30. National Accounts consider that all dwellings give rise to housing services. These services are included within the production boundary, regardless of whether the dwellings are occupied by the owners or are rented on the market. Dwellings are deemed to provide a service that is implicitly acquired by the households that own them. A rent is imputed in such cases whose value depends on the dwelling's physical conditions, amenities, location, etc., but not on the conditions under which it is occupied. As a consequence, receiving a guest in one's home free of charge does not generate additional economic production. The production associated with a dwelling depends solely on its physical conditions and surroundings. Consequently, in the case of a visitor staying free of charge with a resident household in the latter's main dwelling or vacation home, no increase in demand and no effect on the supply of accommodation services should be recorded. If a payment is made for the service, then a corresponding decrease in services on own account should be made.

6.31. The same is true of barter transactions: there is no increase in the accommodation services provided within the economy, and, for the sake of consistency with GDP measurement in National Accounts, no value should be imputed.

6.32. Although accommodation for visitors in homes of relatives and friends does not generate output to the economy in the framework of National Accounts, countries might give particular attention to these tourist activities if staying at homes of relatives and friends is more common than staying at hotels, motels and similar (for example, the substitution of the service of visitor accommodation with staying at friends and family indirectly influences new investments in the sector).

B.1.4. Providers of non-market accommodation services for own final use: owner-occupied vacation homes and timeshares

6.33. The reasoning in paragraph 6.30 with respect to main dwelling applies also to vacation homes, whether fully owned or subject to other types of arrangements, such as timeshares. Their ownership is in itself sufficient to be considered the production of a service, whether visited or not. This production is not currently valued in tourism statistics but should be within the context of a TSA.

B.2. Measuring the provision of accommodation services

6.34. Because accommodation services are provided under various modes, their measurement needs to be adapted accordingly, as described below for each of the modes previously enumerated.

B.2.1. Providers of market accommodation services classified under "Accommodation" (ISIC Division 55)

6.35. In this case, the measurements should be broken down according to the categories defined, which are country-specific. It should be noted that the term "collective accommodation" is no longer used in the UN Standard Classifications (such as ISIC and CPC).

6.36. For this mode, two main categories of accommodation provider should be defined: (i) providers operating within the formal, organized economy; and (ii) smaller-scale and occasional providers.

B.2.1.1 Formal establishments

Modes of observation

6.37. As for all productive activities, the observation of establishments classified under "accommodation" has to be based on business registers, from which samples of units are selected for surveying. The samples selected for annual, quarterly and monthly observation may differ but should be mutually consistent.

6.38. Countries might have overall business registers (usually held by the NSO) and specific tourism registers (often held by the NTA), so their mutual consistency should be checked. The information provided by business registers on the demography and dynamics of establishments can be of interest as such, especially if data on number of rooms and bed-places are included.

6.39. The coverage of such business registers should be checked, particularly in countries where licensing involves control by the State (or regional authority) and payment of a specific duty. The updating process should also be verified, to be sure that sector dynamics are duly reflected.

6.40. In designing the statistical samples, it should be recalled that tourism activity is often spread throughout a country's territory, that regional dynamics may differ and that authorities may be interested in analysing tourism flows by geographic area. This is particularly important for less developed countries, with limited statistical capacity. Such countries tend to concentrate their samples where most general economic (often industrial) activity is located, whereas tourism may be concentrated elsewhere, around specific attractions such as sun and beach, historical sites, landscapes, etc., away from such centres of traditional economic activity.

Indicators

6.41. Besides the usual economic variables (output, value added, employment, consumption, investment), which are common to most economic activities, various other indicators have been developed over the years and are frequently used to assess the performance of accommodation establishments and of tourism policy:

- Room occupancy rates (gross or net)
- Bed-place occupancy rates (gross or net)
- Average number of persons per room
- Average room rate
- Average revenue per room night
- Average revenue per guest night
- (Average) revenue per available room (REVPAR)
- Employees per room
- Average wage per employee
- Revenue per employee

6.42. These indicators require an understanding of two specific statistical units used in accommodation statistics:

Rooms

The room is the unit formed by one room or group of rooms constituting an indivisible rental unit in an accommodation establishment. Rooms may be single, double or multiple, depending on whether they are equipped **permanently** to sleep one, two or several people. Hotels can "sell" or classify double rooms also as single rooms depending on demand. However, a suite whose rooms cannot be rented separately is thus considered just one "room".

Rooms are the units used to measure the capacity of most types of accommodation. Exceptions are campgrounds, for instance, where the unit will be the pitch, and self-catering apartments, where the measurement unit could include a number of bedrooms, a lounge/dining room, separate bathroom, etc..

The number of rooms on offer is determined by the number of rooms available for guests during the reference period, including rooms occupied by long-term guests but excluding those occupied by staff employed in the establishment. This number may be greater or less than the number of existing rooms – usually less, because rooms temporarily unavailable, during low season or because of maintenance, are not counted. On rare occasions, if temporary arrangements are made to accommodate guests in some form of annex, whose rooms are not otherwise available or included in the register, the number of rooms currently on offer may exceed the normal number of existing rooms. (In the Kingdom of Saudi Arabia, for instance, arrangements might be made with apartment owners if hotels are overbooked during the Hadj pilgrimage).

Bed-places

The number of bed-places in an establishment is determined by the number of persons who can stay overnight in the beds set up in the establishment, regardless of any extra beds that may be set up at a customer's request. The term bed-place applies to a single bed, double beds being usually counted as two bed-places if they are used to accommodate two persons.

The number of rooms and bed-places refers to the capacity in establishments for providing temporary accommodation to visitors.

6.43. Based on these units – measured monthly, as assumed here, or alternatively on a quarterly, annual or other periodical basis if the country prefers – the indicators listed above are defined as follows:

Room occupancy rate: This is an indication of how many rooms have been sold during the month as a percentage of the number of rooms available (or of the total number of existing rooms) during that same month. If all of an establishment's rooms have been sold for every night of the month, the room occupancy rate is 100%. If only half, the rate is 50%. A "gross" room occupancy rate takes into account all existing rooms declared, whereas a "net" rate takes only into account the rooms on offer. While the net rate is very useful to evaluate the performance of a given accommodation provider, the gross rate is more useful for macroeconomic study, since accommodation units are usually characterized by the number of existing rooms, as an indicator of size, regardless of the actual number made available on the market.

Bed-place occupancy rate: This refers to the number of bed-places sold during the month as a percentage either of the number of bed-places available or of the total number of existing bed-places during the month. In other words, it is the ratio of the actual bed nights sold to the total supply of bed nights (either existing beds or beds on offer). This indicator is similar to the room occupancy rate but provides a better indication of the overall level of an establishment's occupancy. A bed-place occupancy rate that is considerably lower than the room occupancy rate usually indicates that many of the rooms offering two or more bed-places are being sold to single occupants.[31] As in the case of the room occupancy rate, the bed-place occupancy rate can be calculated in gross or net terms, each for different uses, based on the bed-places actually sold relative to the bed-places existing (gross) or on offer (net).

Average number of persons per room: This is the total number of guests staying in the establishment divided by the number of rooms available aggregated over every night of the reference period. For this indicator, a figure of one means that on average an establishment's rooms are occupied by one person each. A figure of two means that on average rooms are occupied by two people each. Business hotels, which tend to cater more to solo travellers, usually report a lower figure than holiday hotels, where more families tend to stay.

Average room rate: This is the average price a traveller pays for a room during the period of reference. It is calculated by dividing the total revenue from room sales for the period by the total number of rooms occupied during the period. It should be net of all taxes separately invoiced.

Average revenue per room night: This indicator takes into account all of an establishment's income. Some income is clearly related to rooms: guest expenditures on food, beverages, laundry, telephones, for instance. Other income, however, is not room-related (but should still normally be included in the calculation): restaurant expenditures by other customers (not occupying rooms) conference centre activities or the leasing of space to shops on the premises are examples. This indicator is calculated by dividing the total revenue from all sales for the period by the total number of rooms occupied aggregated over every night of the reference period. It is usually expressed in the currency of the country in which the accommodation establishment is located. It might also be useful for certain purposes to exclude non-room-related revenue from the calculation.

[31] There is no positive or negative value judgment involved here. Hotels decide how to "sell" rooms (single or double) based on demand, consumer behaviour and market/price expectations.

Average revenue per guest night: The calculation for this indicator is similar to the one preceding: total revenue from all sales for the period is divided by the total number of beds occupied during the period aggregated over every night of the reference period. It can be of interest to exclude non-room-related revenue from this calculation as well.

(Average) revenue per available room (REVPAR): This indicator is calculated by dividing total room-related revenue (core activity) by the total number of room nights available during the period. This is an indicator of interest to hotel owners, operators, developers and investors. An alternative and similar indicator can be calculated by dividing total revenue (all activities = core activity + restaurant, spa, etc.) by the total number of room nights available during the period.

Employees per room: This is a good indicator of human resource utilization in the sector, and is most useful when calculated from aggregated accommodation data, usually grouped by grade or size of establishment. It is calculated by dividing an establishment's total number of employees during the period by the number of its total rooms. If the number of employees varies during the period, the average data should be calculated in terms of full-time equivalent figures. This also applies to the "average wage per employee" and "revenue per employee" indicators.

Box 6.3: Domestic Tourism Data from Accommodation Establishments in the Philippines

Through technical assistance from the Japan International Cooperation Agency (JICA), the Philippine Department of Tourism has set-up the system for local tourism statistics based on data collected from accommodation establishments. The system measures overnight visitors from commercial accommodation as reported by the local government units (LGUs), with breakdown of Philippine resident and non-Philippine resident by country of residence. It also provides information on occupancy rate and supply of accommodation rooms. These statistics were used in the formulation of the National Tourism Development Plan for 2011-2015, through an assessment of the capacity of each local destination to attract and accommodate international and domestic visitors.

Arising from the local tourism statistics system, data collection among LGUs has been harmonized and standardized, thus, promoting data integrity, comparability and consistency. It has also enabled the DOT to embark on a capacity building program for LGUs to better understand local tourism statistics as a tool for planning, product development, investment and marketing.

The data collected from accommodation pertains to tourism demand and supply. Information such as number of accommodation establishments, number of rooms, number of rooms occupied, number of employees, volume of guests, guest nights and occupancy rate are generated.

For more information: (1) Tourism Statistics Manual for Local Government Units, and (2) Tourism Development Planning Guidebook for Local Government Units.

Source: Philippine Department of Tourism, www.tourism.gov.ph

Average wage per employee: This is a good indicator of direct employment costs within an accommodation establishment, and when calculated based on aggregate data, can also be useful for a defined group of accommodation establishments. It is calculated by dividing the amount paid for wages and salaries during the period by the number of employees. It should be noted that average *labour income* per employee might be higher because tips can represent a significant share of employee income (assuming they have not been included previously within the value of production, value added and remuneration of employees).

Revenue per employee: This is a useful indicator for comparison with "average wage per employee", providing insight into earnings in the sector for use in the human resource deployment context. It is calculated by dividing an accommodation establishment's total revenue for the period by the number of employees working there during the same period.

6.44. Usually, such indicators will be compiled from a sample of establishments, stratified according to the different categories of establishment (which might include a geographical dimension), and the results will be grossed up to the total universe by categories of establishment. Care should be taken, when grossing up, as to the biases that might be generated in the imputation of non-responses, especially if the number of units in the sample is small and the rate of response is low. In countries where the total number of such establishments is relatively small, it is recommended that all those establishments be included in the survey (i.e. a full census of such establishments).

6.45. The same indicators with the same caveats as above can be compiled for enterprises. The geographical dimension is usually lost when the statistical unit is the enterprise. However, enterprise data are useful to compare the performance of hotel chains. In addition indicators on establishments are usually available on short notice and are used to satisfy short-term information needs. Indicators on enterprises (mostly based on annual surveys) reveal more structural changes in the industry.

Table 6.4: Country example – Summary of hotels, motels and serviced apartments in Australia

	Establishments	Rooms	Bed spaces	Persons employed	Room nights occupied	Room occupancy rate	Guest nights occupied	Bed occupancy rate	Guest arrivals	Average length of stay	Takings from accommodation	Average takings per room night occupied	Average takings per room night available
	no.	no.	no.	no.	'000	%	'000	%	'000	days	$'000	$	$
HOTELS AND RESORTS													
2012													
March	855	87.545	226.490	67.332	5.676,2	72,0	9.014,2	44,3	4.012,2	2,2	1.082.400	190,69	137,33
June	850	86.907	223.625	67.107	5.376,4	68,4	8.262,8	40,9	3.828,2	2,2	976.175	181,57	124,12
September	851	87.086	222.748	67.526	5.802,0	72,4	9.176,8	44,8	4.119,0	2,2	1.085.634	187,11	135,52
December	858	88.362	225.070	67.806	5.832,9	72,3	9.233,5	45,1	4.188,1	2,2	1.135.913	194,74	140,84
2013													
March	857	88.650	225.174	66.761	5.658,3	71,5	9.127,6	45,6	4.129,4	2,2	1.091.676	192,93	138,01
Year ended	0	0	0	0	22.290,9	71,0	35.083,9	43,3	15.896,8	2,2	4.118.736	184,59	131,16
Year ended	0	0	0	0	22.669,6	71,2	35.800,7	44,1	16.264,6	2,2	4.289.398	189,09	134,62
MOTELS, PRIVATE HOTELS AND GUEST HOUSES													
2012													
March	2.417	85.513	240.132	27.171	4.506,6	58,6	7.518,2	34,9	3.920,7	1,9	572.275	126,98	74,35
June	2.416	85.315	238.309	27.298	4.401,6	57,1	7.129,8	33,1	3.786,3	1,9	551.037	125,19	71,42
September	2.408	85.061	236.587	27.691	4.629,9	59,3	7.701,5	35,4	4.048,5	1,9	594.641	128,43	76,10
December	2.409	85.222	235.828	27.236	4.578,2	59,0	7.681,7	35,8	4.070,3	1,9	586.148	128,03	75,48
2013													
March	2.402	84.870	234.216	27.213	4.321,9	57,2	7.346,9	35,3	3.820,4	1,9	559.519	129,46	74,00
Year ended	0	0	0	0	18.360,6	59,0	30.446,8	34,8	16.064,4	1,9	2.281.490	124,24	73,36
Year ended	0	0	0	0	17.931,6	58,1	29.860,0	34,9	15.725,6	1,9	2.291.345	127,78	74,25
SERVICED APARTMENTS													
2012													
March	973	55.512	170.891	15.573	3.476,0	69,1	6.986,4	45,2	2.118,2	3,3	597.318	171,84	118,67
June	967	54.946	169.417	15.328	3.193,2	64,0	6.277,4	40,8	2.015,5	3,1	538.327	168,58	107,87
September	963	54.868	169.060	15.196	3.533,5	70,0	7.091,6	45,6	2.121,8	3,3	611.020	172,92	121,05
December	979	55.679	171.554	15.487	3.611,3	70,7	7.442,9	47,4	2.357,9	3,2	634.167	175,61	124,14
2013													
March	983	56.214	172.445	15.191	3.449,7	68,4	7.106,7	46,1	2.246,0	3,2	610.092	176,86	121,00
Year ended	0	0	0	0	13.657,6	68,1	27.431,5	44,1	8.504,2	3,2	2.305.795	168,71	114,92
Year ended	0	0	0	0	13.787,7	68,3	27.918,6	45,0	8.741,1	3,2	2.393.606	173,49	118,51
HOTELS, MOTELS AND SERVICED APARTMENTS													
2012													
March	4.245	228.570	637.513	110.076	13.658,8	66,3	23.518,8	41,0	10.051,0	2,3	2.251.994	164,87	109,26
June	4.233	227.168	631.351	109.733	12.971,3	63,1	21.669,9	38,0	9.630,0	2,3	2.065.540	159,24	100,41
September	4.222	227.015	628.395	110.413	13.965,4	66,9	23.969,9	41,5	10.289,3	2,3	2.291.294	164,07	109,78
December	4.246	229.263	632.452	110.529	14.022,5	67,0	24.358,2	42,3	10.616,3	2,3	2.356.229	168,03	112,52
2013													
March	4.242	229.734	631.835	109.165	13.429,8	65,5	23.581,2	41,9	10.195,9	2,3	2.261.287	168,38	110,23
Year ended	0	0	0	0	54.309,0	65,8	92.962,1	40,3	40.465,4	2,3	8.706.020	160,20	105,45
Year ended	0	0	0	0	54.388,9	65,6	93.579,2	40,9	40.731,4	2,3	8.974.349	164,93	108,24

Frequency

6.46. As previously noted, countries might be interested in monitoring the activity of accommodation establishments less frequently than the monthly reference period assumed above: annually or quarterly, for instance. However, as discussed earlier, tourism is usually a highly seasonal activity, so aggregated data over a relatively long reference period may not be as useful as data covering a shorter (e.g. monthly) reference period.

For an annual survey, the scope of the information collected by the questionnaire should be broad, including both monetary and non-monetary data, in order to properly measure the economic performance and share of the country's overall production activity. But, it is recommended to request the non-monetary data broken down by months or quarters in the annual questionnaire. The problem of an annual survey is that an accommodation survey should be conducted to enterprises that can provide more accurate monetary data but the non-monetary data should be asked of establishments (local units).

6.47. If the survey is conducted on a quarterly or monthly basis, the questionnaire should be much more focussed and limited to a few variables, such as those mentioned above, which might also be useful to the establishments themselves, for their own management. This might even be a good way to encourage the participation of establishments, helping them develop these indicators and providing them with feedback on the performance of other establishments in their categories or regions (obviously within the constraints of confidentiality).

6.48. The use of such indicators on a monthly, quarterly or even annual basis will provide useful information on the performance of the "accommodation for visitors" industry. Additionally, use of the gross bed-place occupancy rate, applied to the total number of existing bed-places, provides a measure of the number of overnights by visitors in those accommodation establishments, which might then be compared with the corresponding demand-side statistics collected by way of visitor surveys or household surveys (see Chapter 3, Sections C.2.2.2, D.1 and D.2). The number of guests and overnights can also be broken down by country of residence and other characteristics of guests.

B.2.1.2 Informal or small-scale providers

6.49. As previously mentioned, there are various ways to measure the activity of market accommodation providers that fall under the capacity threshold for inclusion in the stated coverage as accommodation activity; either there is a licensing procedure whose scope extends to informal or occasional providers, or there is an organization representing all or a relevant percentage of providers (e.g. an accommodation industry association) or there is no such organization.

6.50. Where such organizations do exist, it should be possible to obtain their cooperation, at least on an annual basis (or on the basis of specific seasons previously defined), in reporting on the number of such units and setting up simple surveys to gather general figures on occupancy and income. It might be more challenging to ascertain the number of persons staying with such providers, which in some cases may not be of interest to the providers themselves, particularly in the case of apartments or villas. Some of these above-mentioned organizations might be in a position to provide aggregated information they have collected from their members in this regard.

6.51. If an effective licensing scheme or organizational system does not exist, or in the case of operators functioning outside such schemes, it is very difficult to identify their existence and measure their supply, the only solution being possibly through household surveys or population and housing censuses, see also paragraph 6.28. If a survey is used, its coverage needs to be sufficient to obtain statistically significant measurements; a solution might be to develop a special module for regions where such accommodation units are known to be present in significant numbers. However, such surveys or censuses will only cover domestic visitors and thus will tend to undercount guests in such accommodation units if the guests include visitors who are residents of other countries.

B.2.2. Providers of market accommodation services classified under "real estate activities"

6.52. In the case of providers of market accommodation services classified under "*Real estate activities*" (part of ISIC Division 68), different types of products and providers are concerned. Some have to do with visitors renting homes near tourism sites on a long-term basis, but using them on a short-term basis only.

6.53. Additionally, owners of homes in places of interest to visitors (seaside, mountain, fashionable places, etc.) can use intermediaries to rent out their property. Some do so on their own behalf (peer-to-peer transactions), a possibility facilitated by the Internet.

B.2.3. Providers of non-market accommodation services free of charge: visitors staying with friends and relatives and barter transactions

6.54. As explained previously (see paragraphs 6.30 and 6.31), such transactions are not subject to economic measurement, since they do not add any production of services to the economy. For the sake of coherence and consistency between demand and supply statistics, and of obtaining a complete picture of tourism accommodation, the number of stays and overnights can be estimated from the supply side using a household survey in which overnights spent in the home by visitors and exchanged overnights are measured.

6.55. This implies that specific surveys of resident households to measure their tourism activity as visitors (as mentioned in Chapters 3 and 4) should also try to collect information about their activity as providers of for-profit (homestay programs for instance) or free accommodation services. If these accommodation providers are identified as "for profit" they should be reclassified as "providers of market accommodation services".

Box 6.4: Estimating the importance of staying with family and friends: the case of Romania

In Romania, staying with family and friends is by far the most important form of accommodation used by visitors, both residents and non-residents. According to the figures for one year, stays with family and friends represented 58% of all non-resident guests and more than 80% of all non-resident overnights. A household survey has been proposed to measure also the incidence of same-day trips by residents and the provision of services to non-resident households. A pilot for such a survey was conducted in 2009.

B.2.4. Providers of non-market accommodation services for own final use: owner-occupied vacation homes and timeshares

6.56. Regarding the "classical" owner-occupied vacation home, the first issue for a country is to identify dwellings used for that purpose, a task for tourism statisticians. The second issue is then to associate with such dwellings an imputed annual rent that represents the value of the service. This value would be an estimation of a tourism product. This task is the responsibility of national accountants when developing a TSA. The UN recommendation for housing censuses[32] indicates how countries should identify dwellings not intended for year-round occupancy (see Box 6.5).

Box 6.5: Principles and Recommendations for Population and Housing Censuses

3. Occupancy status (core topic)

Recommended tabulation: H4-R

2.463. Information should be obtained for each conventional dwelling to show whether the dwelling is occupied or vacant at the time of the census. For vacant units intended for year-round occupancy, the type of vacancy (for rent, for sale, and so forth) should be reported. Occupancy status applies only to conventional dwellings, since all other types of living quarters are required by definition to be occupied in order to fall within the scope of the census.

Topics to be investigated in housing censuses

2.464. The enumeration of vacant conventional dwellings is likely to pose difficult problems, but at least a total count should be made for purposes of controlling the enumeration. The type of vacancy is frequently indicated by "for sale" or "for rent" signs posted on the dwelling. Although it may not be feasible to investigate all of the topics included in the census for vacant units, as much information as possible should be collected, including information on whether the living quarters are vacant seasonally or non-seasonally.

2.465. Vacant units intended for seasonal occupancy may represent a substantial proportion of the housing inventory in resort areas and in areas where large numbers of seasonal workers are employed. The separate identification of such a category may be necessary for the correct interpretation of the overall vacancy rate, as well as for an evaluation of the housing situation in the area concerned. Vacant units may be further distinguished according to the type of occupancy for which they are intended, for example, as holiday home, seasonal workers' quarters and so forth.

2.466. Whether living quarters whose occupants are temporarily absent or temporarily present should be recorded as occupied or vacant will need to be considered in relation to whether a de jure or de facto population census is being carried out. In either case, it would seem useful to distinguish as far as possible conventional dwellings that are used as a second residence. This is particularly important if the second residence has markedly different characteristics from the primary residence, as is the case, for example, when agricultural households move during certain seasons of the year from their permanent living quarters in a village to rudimentary structures located on agricultural holdings. The recommended classification of occupancy status for conventional dwellings is as follows:

1 Occupied
2 Vacant
- 2.1 Seasonally vacant
  - 2.1.1 Holiday homes
  - 2.1.2 Seasonal workers' quarters
  - 2.1.3 Other
- 2.2 Non-seasonally vacant
  - 2.2.1 Secondary residences
  - 2.2.2 For rent
  - 2.2.3 For sale
  - 2.2.4 For demolition
  - 2.2.5 Other

Source: *United Nations, Principles and Recommendations for Population and Housing Censuses , 2008*

[32] Principles and Recommendations for Population and Housing Censuses, Revision 2

6.57. On the basis of figures calculated for the census year, usually available with a detailed geographical breakdown, it will be possible to estimate the number of such dwellings in a current year. UNWTO has already developed some additional proposals for using different types of sources – censuses, surveys and administrative data – to determine the number and characteristics of vacation homes and identify those owned by non-residents.

Box 6.6: Country example – Vacant units in Australia

Vacant units are a policy issue for some regional areas in Australia that are major tourist centres on weekends, e.g. Byron Bay. During the week (Census night is normally a Wednesday) the population is much less. Where funding is based on population, this leaves such centres short on infrastructure for influx of tourist population.

6.58. As mentioned earlier, once the number of vacation homes used by their owners has been established, the associated rent can be estimated using the method recommended in *SNA 2008*. The same treatment needs to be applied to all other vacation homes, whether located in the visitor's country of residence or in another country.

Box 6.7: Estimation of rents in vacation homes

In National Accounts, the historical conventional method for estimating services produced by owner-occupied dwellings has been the self-assessment method. In this method, owners were asked to estimate a potential rent for their property. The major problem of the self-assessment method consists of the largely subjective influence on the estimate. This leads to substantial uncertainties because of over- or under-estimates (depending on the precise circumstances) […]

For that reason, and given the high and growing relevance of owner-occupied dwellings in some European countries, Eurostat established the so-called "stratification method" as the best approach.

The stratification method uses information about actual rentals from rented dwellings to obtain an estimate of the rental value of the stock of dwellings. The broad principle involved is the following: to impute to a given owner-occupied property a rental value, which is the same as the rental that would be paid for a similar property in the market rental sector.

The method is based on two types of elements:

– A categorization or breakdown of housing stock among various strata or types of dwellings, and
– Information about actual rentals paid in each stratum.

A stratification of the housing stock is required in order to obtain a reliable estimate and to include properly relative price differentials. Subsequently, the average actual rental per stratum is applied to all dwellings in that particular stratum.

Source: *Libreros and Cañada, Vacation Home Ownership in a Globalized World, 2010*

6.59. Timeshare is a slightly different case: the "owner" of a timeshare dwelling has the right to use a unit of accommodation (a unique one, or one of a family of such units) for a limited fraction of time (usually a week or multiples of a week) repeatedly every year (or other established frequency) over a particular (10, 20 or more) or infinite number of years. This right can result from a deed or from any other type of contract, in which case this contract most often does not represent an ownership over a physical asset.

6.60. The term "timeshare" covers a continuum of situations, from timeshare being considered as an early prepayment of future holidays to situations in which the timeshare can be viewed as a real estate investment, situations that vary from country to country and are highly dependent on the existing legal and tax setting.

6.61. Schematically, it is possible to say that there are three major types of arrangements: a) the deeded ownership; b) the "right-to-use" type of ownership, and c) the membership system. These operate roughly in the following way. In addition to an initial payment, all three types of arrangement are subject to annual fees, including (i) annual management fees; (ii) annual maintenance fees; (iii) property taxes; (iv) insurance and (v) occasional fees (special assessments) for major repairs and property refurbishment.

6.62. In the comparison to vacation homes, the number of timeshare units can be established more easily: they are usually managed through specialized management units, which should be able to report on the number of paid-for units which were actually rented as they are usually in charge of managing such rentals.

Box 6.8: Estimation Time-share and Vacation Homes Services in Egypt

Through the assistance of the time-share department in the Egyptian Ministry of Tourism, two surveys were conducted; the first conducted on touristic villages that have units of time-share to explore the average imputed rent value, occupancy days, the second survey carried out on a sample of time-share companies which operate this kind of units to ask about annual fees paid by beneficiaries for use of time-share facilities (for linen service, cleaning, etc.).
As for Vacation Homes and Furnished Rented Apartments, the Central Agency for Public Mobilization and Statistics (CAPMAS) survey of Income, Expenditure & Consumption of Households was used to calculate the number of each kind of units, time of usage and average rent.

Source: *Ministry of tourism of Egypt, TSA in Egypt: Final Report, 2011*

C. Providers of food and beverage services

6.63. Consumption of food and beverages can be a significant consumption item for visitors. Indeed, many countries are increasingly promoting Food tourism, Wine tourism and other tourism products based on local cuisines. Even where such tourism products are not involved, visitors often regard consumption of food and/or beverages as an important part of their stay, particularly for overnight visitors.

6.64. In ISIC, the supply of food and beverages is included in "*5610 Restaurants and mobile food service activities*", "*5629 Other food service activities*" and "*5630 Beverage serving activities*". However, other industries can be very significant in the supply of food and/or beverages. An important example is hotels and similar providers of accommodation services. The supply of food and beverages can be a very important, albeit secondary, activity for those businesses. Surveys of accommodation (and other relevant) establishments need to identify the supply of food and beverages activity of these businesses in their economic surveys. This information is important in the production of a TSA.

6.65. It is important to note, also that some providers of food/beverage services are not included in these ISIC categories. Examples would be canteen providers in factories (who would be unlikely to provide meals to visitors) and supermarkets selling ready-made meals (who may provide some meals to visitors). Clearly, wholesalers of meals would not be included, as by definition, only direct providers to visitors are included.

6.66. Also not included in any economic analysis of food and beverage services is the provision of food and beverages by family or friends in a private home or elsewhere (such as on a picnic).

6.67. There is no international standard classification of food/beverage providers. Countries may wish to develop their own classification system as appropriate to the types of food/beverage providers in their country. For example, in some countries small street stalls are very important providers of food/beverages, whereas in other countries these may not be important or even not exist at all. Tea houses are important in some countries but not in others, etc.

6.68. For collection of data for the formal food/beverage providers, such as restaurants, bars, hotels, etc., surveys can be based on business registers, usually maintained by NSOs, possibly with the assistance of lists of members of industry associations or of licensing authorities. The more informal providers of food/beverages, such as families operating small street stalls, can provide more difficult challenges in identifying and obtaining data from. However, in countries where these are significant, it is very important that all potential sources should be investigated both public and private bodies. Even when identified and interviewed, the quality of data from these more informal businesses can be questionable. In some cases the business operators may not actually have good quality data, or in other cases may be reluctant to provide data to a government agency, possibly for fear of taxation. As a last resort, it may be necessary to simply estimate the value of provision of food/beverages by these providers, using estimates of numbers of such providers, value of sales and proportion of their customers who are visitors.

6.69. An important point in relation to such providers is whether they are to be considered as belonging to the retail trade activity or to the food and beverage serving services activity. The distinction could be decided on the basis of whether the food has been prepared by the body that sells it – in which case it belongs to the food and beverage serving industry - or if the server does not belong to the body (business) which produced the food – in which case it belongs to the retail industry.

6.70. The sort of data which is required is the data that is normally collected for all industries for National Accounts (including TSA) purposes, usually by the NSO. This has been noted in paragraph 6.6 and will not be discussed further here. However, in some countries, extra activity data, similar to that collected for accommodation establishments, may be required.

6.71. In *IRTS 2008, 6.40* some non-monetary indicators have been suggested, that could be used for formal and organized types of providers that are reproduced here for convenience:

For restaurants with seating:

- Total number of clients that can be accommodated per serving
- Number of tables
- Number of seats
- Number of meals that can be served daily
- Number of meals actually served

For take-out establishments:

- Number of meals that can be served daily (according to the type of food)
- Number of meals actually served

For bars and night-clubs:

- Number of customers
- Number of drinks actually served

6.72. Other non-monetary indicators of interest are the number of employees broken down by occupation or the number of establishments broken down by location and size. The collection of such data may be done by way of extra questions in the normal economic activity surveys, or by way of separate sample survey of these establishments which focuses on these data items only.

6.73. Although food and beverage serving services have been considered as internationally comparable tourism characteristic products, it should not be forgotten that in this case -and this is different from accommodation services – an important share of the supply is consumed by non-visitors. Additionally, these shares might vary enormously, according to the location (in areas visited by visitors and in other areas in which they rarely visit), to the type of food that is offered and the quality of the service.

6.74. As a consequence, it is necessary to be able to have some type of approximation to the share of supply of food and beverage services consumed by visitors as compared to total supply.

Box 6.9: Food and beverage services in Oman

An experience developed in Oman consisted of asking organized restaurants and other food and beverage serving providers to give an approximation of the share of their customers that, in their opinion, would be non-residents in the place. Using this information and combining it in a weighted form gave an indication that, duly revised and criticised, provided a first estimation that was not so far from what finally resulted from the comparison of supply and demand.

D. Providers of transport services

6.75. Transportation is an extremely important component of tourism. By definition, movement from one place (the usual environment) to another (outside the usual environment) is a necessary criterion for identifying an activity as a tourism activity. Most transport activities undertaken by visitors are provided by transport or related businesses. However, not all are. The visitor might travel by means of their own, or that of friends' or relatives', private transport (motor car/bicycle, plane, boat, etc.). It may even be the case that the visitor walks to the destination (not common) or travels by way of horse or other un-mechanised means.

6.76. The ISIC industries which are relevant to the provision of transport services to visitors are "*4911 Passenger rail transport, interurban*", "*4922 Other passenger land transport*", "*5011 Sea and coastal passenger water transport*", "*5021 Inland water passenger transport*", "*5110 Passenger air transport*" and "*7710 Renting and leasing of motor vehicles*". Other ISIC transport industry categories relate to the transportation of freight, and so are not included.

6.77. It is important to make the distinction between transportation to/from a destination and transportation within a destination. These have very different characteristics and are viewed differently from a tourism analysis perspective. In the case of transportation to or from a destination it is important to establish the residence of the transport provider. This will affect how the expenditure on such transportation is treated. The expenditure could be included in domestic, inbound or outbound tourism, or possibly excluded altogether. In relation to transportation within the destination, this is not such an issue as such transportation providers are usually – although increasingly, not always – resident in the reference economy.

6.78. It should be noted that "*4911 Passenger rail transport, interurban*" only includes long distance travel. This could be international or domestic transport. It would normally involve visitors travelling to/from a destination, or possibly between destinations. However, the other ISIC

categories listed in the previous paragraph, can involve long distance or short distance travel. They would include travel to/from a destination and travel within a destination. Readers are referred to *ISIC Rev.4* for detailed descriptions of what types of transport are included in these categories.

6.79. Some transport may be provided as a secondary activity by businesses but this is not very common in most countries. A more significant issue is the inclusion of transport in packages, often the main component of some packages. Expenditure surveys of visitors must try to identify the transport (and other) components of packages, although this can be difficult and may require estimation or modelling.

6.80. In many countries, transport providers can be relatively small in numbers, especially in relation to long distance transport. Most such commercial transport activity is provided by businesses which can be readily easily identified and included in a country's business register. For long distance transport there is usually a relatively small informal component. However, for short distance transport, such as within cities, public transport may be dominated by a very large number of small operators. Some operators may only operate one vehicle and may be a family-run business. In some countries these are highly regulated and relatively easily identified from official registers for survey purposes. However, in other countries they may be very poorly regulated and operate as virtually an informal sector. In this case, estimates will need to be made of their activity, based on estimates of the total numbers of such vehicles, the total numbers of passengers carried and the proportion of these passengers who are visitors.

6.81. In some cases where there are a relatively small number of transport providers, for example, of airlines, this can create a challenge in terms of confidentiality of the data. Where, for example, there may be only two or three providers of air services, the businesses may be reluctant to provide their data on the basis that publication of the results may permit identification of their figures, even where the results are only published in aggregated form. In such cases, it may then be necessary to combine the data for different transport modes before publication, e.g. combine the data for air transport with that of land transport. This obviously reduces the value of the data, but may be necessary.

6.82. The sort of data which is required is the data that is normally collected for all industries for National Accounts (including TSA) purposes, usually by the NSO. This has been noted in paragraph 6.6 and will not be discussed further here. However, in some countries, extra activity data, similar to that collected for accommodation and food/beverage establishments, may be required. This would include such data as numbers of vehicles and capacity utilisation, number of passengers carried, numbers of vehicles rented and for how long, etc. These data items are described in *IRTS 2008, 6.45.* as:

- Long distance public transportation:
  - Number of vehicles for road transport/aircrafts, vessels, for air and water;
  - Number of available seat;
  - Number of passengers transported;
  - Capacity utilization;
  - Number of passenger-kilometres/miles produced;

- Rental of vehicles:
  - Number of vehicles (cars, vans, caravans, boats, yachts, etc.) available for rent without operator;
  - Number of vehicle-days available for rent in a given period (month, year);
  - Number of vehicle-days actually rented.

6.83. The collection of such data may be done by way of extra questions in the normal economic activity surveys, or by way of separate sample survey of these establishments which focuses on these data items only.

6.84. Measuring the supply of passenger transport services to visitors requires the specific and separate study of each mode of transport. Consequently, the different modes are discussed in more detail here.

D.1. Passenger transport by air

6.85. Companies providing air transport are usually relatively big, well organized and the object of specific control by the public authorities. Operation of domestic flights is usually separately recorded from international operations.

6.86. From a tourism statistics' point of view, a difficulty arises from the fact that often airlines provide both passenger transport and freight transport. Both operations can even occur on the same flight, carrying passengers and cargo. Consequently separating the provision of passenger transport services from that of freight is a difficult task. However this is necessary if an additional objective of the statistical analysis is to give a good approximation to the measurement of the Value Added of the Tourism Industry.

6.87. Passenger air transport might also be provided to the public by units belonging to other industry sectors, although this usually refers to charter flights. For instance, tour operators might operate their own charter fleet within the same company. When collecting information, these should not be excluded because they exclusively serve visitors.

6.88. Big private companies might also own their own fleet of private airplanes that might be used by their executives to make tourism trips. Similarly to what has been suggested for accommodation, in such cases a tourism expenditure should be imputed.

6.89. As has been seen when describing the measurement of inbound and outbound tourism expenditure, because of the existence of interlining and code sharing, some of the necessary information on expenditure on air transport provided by international airlines cannot be obtained from the visitor, i.e. from the demand side, and will necessarily be estimated using supply side information (see paragraphs 4.25 – 4.32).

6.90. As has been noted previously, this issue is not only a tourism statistics issue. It requires exactly the same treatment in the compilation of National Accounts (Supply and Use of the product corresponding to air passenger transportation) and in that of the passenger carriage item of the Balance of Payments. A unique solution should be sought and discussed among the different compilation teams.

6.91. Airlines individually, or the national administration that usually supervises airports, should be capable of providing information on the movements of passengers within an origin-destination framework. Nevertheless, some care should be taken in order to take properly into consideration passenger transfers. This is particularly so for airports that operate as hubs, as passengers may arrive to such airports on a domestic or an international flight, but be in transit, and have a different final destination, either in another country, or in another place within the country.

D.2. Passenger transport by rail (except sightseeing)

6.92. Passenger transport by rail presents a few characteristics similar to those of passenger transport by air. The service is frequently provided by a single company or by very few companies that also provide freight transport, though usually not within the same train. More frequently than in the case of air transport, rail transport might be used extensively to move persons within their usual environment, so that it will be necessary, when possible, to separate long distance (in which the movements within the usual environment is not so frequent) with short distance or suburban rail transportation, in which commuting is the main use.

6.93. Regarding international transport, it is also current to have transnational companies that operate between different countries. In these cases, the Balance of Payments' recommendations should be applied, again within a process of collaboration with Balance of Payments' and National Accounts' compilers.

6.94. As railway companies often make market studies of their customers using sample surveys, it might be useful to look for some form of collaboration with them in order to be able to identify the relative importance of commuting and frequent customers, and establish some form of tourism share, either globally, or better, on specific segments of the network.

6.95. Non-monetary indicators might include the number of passengers transported between domestic destinations, as well as kms-passengers. For international destinations and origins, the same type of information can also be generated.

D.3. Passenger transport by water except sightseeing

6.96. Local circumstances will strongly influence the way in which passenger transport by water is provided. It can range from big, well organized companies, providing ferry services between countries or places, on the sea, on rivers or on lakes, to small, informal types of transport provided by individuals, usually on short distances. It might also encompass transportation in which the travel itself is the purpose of the trip as in the case of yachting and cruising, which might also happen on rivers, lakes or on the sea, within the national territory or on an international circuit.

6.97. In the case of big organized companies dedicated exclusively to transport from one port to another (and not to cruising), it should be relatively easy to collect information on passengers transported between different ports. In the case of ferries, it might also be necessary to include information on vehicles being transported, as, in the case of vehicles been used by visitors, the expenditure on ferries, including the transportation of the car, should be included in tourism expenditure.

6.98. In those cases also, the issue of obtaining tourism shares might be relevant. These companies might provide relevant information to enable this to be estimated.

6.99. Regarding cruise lines, whether the services are provided within the boundaries of the country of reference or outside does not make major differences. The service provided is not a transportation service per se, but rather a combination of services, a "package" of different products, including transportation, accommodation, food and beverage serving services, recreation, etc. Transportation might be viewed as important, as passengers on a cruise might

make interesting stops in places that might be the object of special visits, but there is no special income for that product as it cannot be separated from the rest of the products acquired together.

6.100. In the case of yachting, the sale of a service will be imputed for the rental of a yacht or for the services of a pilot. Additionally, the use of moorings at established ports will usually also generate a service. When such activities are important, the countries should study separately the types of expenditures associated with this type of means of transport.

6.101. In many countries either with important water transport activities on river, lake or sea provided by many very small units, some of them will be specifically dedicated to transporting visitors, whereas others will be dedicated to the transport of local people for their day-to-day activities. The measurement of such activities would be better done at local level. In each case, and depending on whether some type of organization of these units exists, (for instance a link with local travel intermediaries), it might be possible to estimate the number of such producers, and impute to them some average activity. Usually, care should be taken of the possible seasonality of their activity, before estimating annual figures. These units of production might not have been considered as tourism characteristic for their limited importance. After having studied their relative importance, it might be necessary to review the list of country-specific tourism characteristic activities with a view to possible inclusion of these units in the list.

D.4. Passenger land transportation (except rail and sightseeing)

6.102. Passenger land transportation can be of different kinds:

- Scheduled long distance transportation (national or international);
- Non-scheduled long distance transportation (national or international);
- Scheduled urban and suburban land transportation;
- Non-scheduled urban and suburban land transportation;
- Taxi services.

6.103. Usually, only long distance passenger land transportation will be considered as internationally comparably tourism characteristic. Nevertheless, other passenger land transportation activities directed to visitors though not internationally comparable, might be locally important, and might need to be described in more detail.

6.104. Scheduled and non-scheduled long distance land transportation activities will usually be provided by organized companies, which should be able to provide (subject to confidentiality issues) detailed information on their output, number of persons transported, and detailed costs of production (including employment and capital investment).

6.105. On scheduled lines, some of the travellers might not be visitors, depending in particular on how long distance transportation is defined. On most non-scheduled services, all output should correspond to the transportation of visitors, except when such services are provided, for instance, to transportation of seasonal workers, or other types of short-term workers.

6.106. Again the treatment given to transportation provided on international routes should follow the recommendations of Balance of Payments, and should be calculated in coordination with the Balance of Payments compilation teams, in order to assign production to inbound, outbound, or domestic tourism expenditure.

D.5. Vehicle rental without operator

6.107. Vehicle rental without operator includes not only small cars, but might also cover boats, yachts, vans, caravans, etc.

6.108. Vehicle rentals without operator are mostly used by visitors, both those on business trips as well as those travelling for recreation purposes. The implicit tourism share on this item is usually high. As a consequence, it can be of interest to collect this information from providers of services that might give a good first approximation of expenditure by visitors. However, such information may also be obtained from visitors themselves (see Chapter 4).

6.109. Besides information on their income and operational costs, vehicle rental operators might provide-non monetary indicators of interest such as:

- Number of available vehicles for rental
- Number of available vehicle-days (by month) as well as rented vehicle-days (globally and by types of vehicles, where relevant)
- Type of customers, products used
- Tourism share of rented vehicles and of income (if possible)

D.6. Sightseeing services by water, train or land

6.110. Sightseeing is to be considered as a typical tourism activity. Nevertheless, it might also, marginally, be provided to residents of a place, particularly when residents are hosting friends or relatives to that place. As these residents are not included in tourism activity, an estimate needs to be made to exclude their sightseeing from tourism activity.

6.111. Sightseeing is often provided by organized businesses. They are often linked to travel agencies, and other reservation agencies.

E. Travel and reservation agencies

6.112. Travel agencies are probably one of the tourism-related industries which is most dependent on tourism demand. It is not unusual in some countries for over 95% of travel agencies' output to be consumed by visitors. Only accommodation services and passenger air transport can come close to this level of dependency. However, on the other hand, expenditure on travel agencies' services is not necessarily a very high proportion of total visitor expenditure. This is because many visitors do not use their services, doing their bookings directly with the service providers, e.g. airlines, hotels and others.

6.113. The product sold by travel agencies to visitors is a complex one. It comprises both the travel agencies mark-up as well as the actual travel service (usually accommodation and/or travel). This makes this service unique amongst the services purchased by visitors. In cases where a package is being purchased by a visitor a third component of the "product" is the tour operator's mark-up. This complexity is comprehensively elaborated in *IRTS 2008, Chapter 6, Section D.4.*

6.114. This sector is represented by ISIC categories "*7911 Travel agency activities*", "*7912 Tour operator activities*" and "*7990 Other reservation services and related activities*". In some ways this is quite a heterogeneous "industry" as it comprises some quite distinct and different business

activities. For example, in addition to including the typical travel agencies' activities, it includes: theatre ticket reservation services, time-share exchange services, provision of travel information, tourist guides' activities, etc. It also includes the activities of tour operators who compile packages, and sell them directly or through travel agencies. Some of these sectors may have a higher proportion of their output consumed by non-visitors than the typical travel agency would.

6.115. Because of the various components of the product being purchased by the visitor, it is necessary, when conducting the normal economic survey of this sector, to ensure that the questions are sufficiently detailed to enable a breakdown of total activity into those relating to each of the component parts. While such detail would not be required for regular National Accounts' purposes, it is required for tourism economic analysis purposes, including the TSA.

6.116. In addition to this standard (albeit more detailed than for other industries) economic data, it can be useful to collect further indicators, including numbers of trips with and without packages. These are elaborated in *IRTS 2008, 6.54.* as:

- Domestic trips
  - Trips without package;
  - Domestic packages.
- International trips
  - Inbound trips without package;
  - Outbound trips without package;

6.117. Eurostat (2009) extensively describes the differences in the treatment of Travel Agencies and Tour Operators in National Accounts and in the TSA. Those interested in the topic are encouraged to consult the relevant section of the Eurostat publication.[33] It includes some illustrative numerical examples as well as a model questionnaire for countries to use in surveying travel agencies. Basically, the difference is due to a different valuation criterion in National Accounts and TSA. The concept of "net valuation" (TSA) separates the intermediation margins from the provided services. The net valuation of travel agency services and package tours constitutes one of the methodological specificities of the TSA, meaning that consumption and production are allocated to the actually consumed products and not entirely to tours operators services.

6.118. In a survey, travel agencies and other providers of reservation services might provide information on their own activity, but also on those activities for which they operate as intermediaries, such as transportation (mainly by air, rail and sometimes land), collective accommodation, package tours, entrance to shows, museums, sporting events, etc.

6.119. This might be particularly interesting as complementary information, as well as, in a long term perspective, to appreciate the diminishing importance of travel agencies as intermediaries due to the increasing use of the internet by travellers wishing to organize their trips by themselves.

[33] Volume 3, Chapter 4, Section 4.3: Estimation of the services of Travel Agencies and Tour Operators

F. Other non-tourism industries

F.1. Production and trade of handicrafts

6.120. As mentioned in paragraph 5.37, in many countries, all or some handicrafts as such cannot be identified in *CPC Rev. 2*, and their production cannot be associated with any specific production process within *ISIC Rev.4*. And yet in many countries, visitor expenditures on such goods may represent significant amounts.

Box 6.10: Production and trade of handicrafts

Handicrafts are purchased mainly by individuals, whether for their own use or as gifts.

- *Purchases made by resident individuals within their usual environment to take as gifts on an upcoming tourism visit abroad (or even in the country) are considered part of internal tourism expenditure*; these purchases are basically made at handicraft shops located near the buyer's place of residence (which may or may not correspond to the places where these handicrafts are produced);
- *Purchases made by resident individuals outside their usual environment, for their own use or to take as gifts on a forthcoming tourism visit abroad (or even in the country) are considered part of internal tourism expenditure*; this occurs mainly when residents travel (for tourism purposes) to the producing regions and buy directly from the producer or from merchants established in zones nearby;
- *Purchases made by non-residents, whether or not they are considered visitors in tourism statistics, during their stay in the producing country*: these purchases would either form part of inbound tourism expenditure or not according to the classification of the traveller as a visitor or non-visitor.

However, some purchases of handicrafts are not part of tourism expenditure:

- *Purchases made by resident individuals within their usual environment for their own use do not form part of tourism expenditure*; they are to be included in final consumption of resident households and not in tourism final consumption; this occurs mainly in the case of purchases made at handicraft shops located near the buyer's place of residence (which may or may not correspond to the places where these handicrafts are produced);
- *Purchases made by enterprises for their own use as decorative objects or useful objects* (for example, furniture, tableware, etc… acquired by restaurants, hotels, etc.) do not form part of tourism expenditure although they could be taken into account in a broader and more sophisticated measurement of the demand linked to tourism if such establishments are engaged in tourism characteristic activities;
- *Purchases made by merchants for export or direct exports by artisans or associations of artisans do not form part of tourism expenditure.*

In summary, not all purchases of handicraft products correspond to tourism expenditure, and what is more, not all handicraft purchases by households form part of tourism expenditure, so it will be necessary to have a slightly more elaborate analysis of the relationship between handicraft production and tourism expenditure on handicrafts; this means that as in the case of all products acquired by visitors as part of tourism consumption, it will be necessary to try to develop a reconciliation between observations of this consumption from the supply and demand sides.

F.2. The meetings industry

6.121. An increasingly important purpose for which visitors travel is to attend meetings, conferences and conventions.

6.122. Meetings, conferences and conventions are held by businesses across the spectrum of the economy. Businesses may hold them for their own employees. Private and public institutions may hold them for their own employees or for others. Membership organizations, professional organizations and political organizations may hold them for their members. Educational institutions may hold them as well. In short, any organisation belonging to any sector of the economy may engage in this type of activity.

6.123. Until recently, no special attempt had been made to isolate the phenomenon or to estimate the revenues and costs associated with holding these events. Enquiry into the activity of holding such events is of interest to tourism, because attending conferences is considered a tourism activity for participants when outside their usual environment (*IRTS 2008, 3.20.*). Nonetheless, this strong connection with tourism does not imply that the meetings industry qualifies as a tourism industry. In fact, its characteristic output is not mostly consumed by visitors but by the conveners of conferences and conventions who provide services to participants at such events.

6.124. It has become necessary to recognize and delineate a place for such activity in the international classifications of products and activities, to determine the nature of the services provided and how they should be measured. The activity is now recognized as ISIC 823, *Organization of conventions and trade shows,* under which 8231 is *Organization of conventions*. The service provided is classified as CPC 85961, *Convention assistance and organization services*.

6.125. Countries or places in which visitor flows induced by conferences, meetings, conventions, etc. are important are encouraged to analyse separately this category of visitors and their consumption.

6.126. It should be noted that much meetings activity takes place outside the meetings industry. For example, a business organisation might hold a meeting in its head office, bringing employees from branches around the country. The consumption by these employees while attending the meeting would be treated as tourism consumption but would not be picked up in a survey of the meetings industry. It is because of such activity that an equivalent to the TSA relating to the meetings industry would be useful (i.e. a Meetings Satellite Account).

Box 6.11: UNWTO has promoted some conceptual and statistical approaches to the meetings industry by way of two documents

- *Measuring the Economic Importance of the Meetings Industry – Developing a Tourism Satellite Account Extension*; and
- *Global Meetings Initiative:*
  - Basic concepts and definitions (volume 1)
  - Identifying the link between tourism and the meetings industry: case studies (volume 2)
  - Pilot country data schedule (volume 3)

The aim of this research is to analyse whether and how the TSA conceptual framework can be adapted for use in measuring the meetings industry. Specific aims of the research are to provide an understanding of the global meetings industry with particular attention to measurement of the industry's economic importance.

Table 6.5: Country example – Summary of hotels, motels and serviced apartments in Australia

	Establishments	Rooms	Bed spaces	Persons employed	Room nights occupied	Room occupancy rate	Guest nights occupied	Bed occupancy rate	Guest arrivals	Average length of stay	Takings from accommodation	Average takings per room night occupied	Average takings per room night available
	no.	no.	no.	no.	'000	%	'000	%	'000	days	$'000	$	$
HOTELS AND RESORTS													
2012													
March	855	87.545	226.490	67.332	5.676,2	72,0	9.014,2	44,3	4.012,2	2,2	1.082.400	190,69	137,33
June	850	86.907	223.625	67.107	5.376,4	68,4	8.262,8	40,9	3.828,2	2,2	976.175	181,57	124,12
September	851	87.086	222.748	67.526	5.802,0	72,4	9.176,8	44,8	4.119,0	2,2	1.085.634	187,11	135,52
December	858	88.362	225.070	67.806	5.832,9	72,3	9.233,5	45,1	4.188,1	2,2	1.135.913	194,74	140,84
2013													
March	857	88.650	225.174	66.761	5.658,3	71,5	9.127,6	45,6	4.129,4	2,2	1.091.676	192,93	138,01
Year ended	0	0	0	0	22.290,9	71,0	35.083,9	43,3	15.896,8	2,2	4.118.736	184,59	131,16
Year ended	0	0	0	0	22.669,6	71,2	35.800,7	44,1	16.264,6	2,2	4.289.398	189,09	134,62
MOTELS, PRIVATE HOTELS AND GUEST HOUSES													
2012													
March	2.417	85.513	240.132	27.171	4.506,6	58,6	7.518,2	34,9	3.920,7	1,9	572.275	126,98	74,35
June	2.416	85.315	238.309	27.298	4.401,6	57,1	7.129,8	33,1	3.786,3	1,9	551.037	125,19	71,42
September	2.408	85.061	236.587	27.691	4.629,9	59,3	7.701,5	35,4	4.048,5	1,9	594.641	128,43	76,10
December	2.409	85.222	235.828	27.236	4.578,2	59,0	7.681,7	35,8	4.070,3	1,9	586.148	128,03	75,48
2013													
March	2.402	84.870	234.216	27.213	4.321,9	57,2	7.346,9	35,3	3.820,4	1,9	559.519	129,46	74,00
Year ended	0	0	0	0	18.360,6	59,0	30.446,8	34,8	16.064,4	1,9	2.281.490	124,24	73,36
Year ended	0	0	0	0	17.931,6	58,1	29.860,0	34,9	15.725,6	1,9	2.291.345	127,78	74,25
SERVICED APARTMENTS													
2012													
March	973	55.512	170.891	15.573	3.476,0	69,1	6.986,4	45,2	2.118,2	3,3	597.318	171,84	118,67
June	967	54.946	169.417	15.328	3.193,2	64,0	6.277,4	40,8	2.015,5	3,1	538.327	168,58	107,87
September	963	54.868	169.060	15.196	3.533,5	70,0	7.091,6	45,6	2.121,8	3,3	611.020	172,92	121,05
December	979	55.679	171.554	15.487	3.611,3	70,7	7.442,9	47,4	2.357,9	3,2	634.167	175,61	124,14
2013													
March	983	56.214	172.445	15.191	3.449,7	68,4	7.106,7	46,1	2.246,0	3,2	610.092	176,86	121,00
Year ended	0	0	0	0	13.657,6	68,1	27.431,5	44,1	8.504,2	3,2	2.305.795	168,71	114,92
Year ended	0	0	0	0	13.787,7	68,3	27.918,6	45,0	8.741,1	3,2	2.393.606	173,49	118,51
HOTELS, MOTELS AND SERVICED APARTMENTS													
2012													
March	4.245	228.570	637.513	110.076	13.658,8	66,3	23.518,8	41,0	10.051,0	2,3	2.251.994	164,87	109,26
June	4.233	227.168	631.351	109.733	12.971,3	63,1	21.669,9	38,0	9.630,0	2,3	2.065.540	159,24	100,41
September	4.222	227.015	628.395	110.413	13.965,4	66,9	23.969,9	41,5	10.289,3	2,3	2.291.294	164,07	109,78
December	4.246	229.263	632.452	110.529	14.022,5	67,0	24.358,2	42,3	10.616,3	2,3	2.356.229	168,03	112,52
2013													
March	4.242	229.734	631.835	109.165	13.429,8	65,5	23.581,2	41,9	10.195,9	2,3	2.261.287	168,38	110,23
Year ended	0	0	0	0	54.309,0	65,8	92.962,1	40,3	40.465,4	2,3	8.706.020	160,20	105,45
Year ended	0	0	0	0	54.388,9	65,6	93.579,2	40,9	40.731,4	2,3	8.974.349	164,93	108,24

Chapter 7. Measuring employment in the tourism industries

This chapter is structured as follows. Section A begins with a brief introduction and then presents the main concepts and definitions related to jobs and employees, and to the labour force. It also makes a point of adequately distinguishing between "employment in the tourism industries" and "tourism employment". Section C discusses the measurement of employment as demand and supply of labour. Section D delves into more details to describe the characteristics of employment: the main international classifications and the key variables. Section E describes the major sources of data collection to measure employment and finally Section F looks at methods for collecting data on some specific issues relating to employment (like informal employment, occupations, status in employment, and remuneration).

A. Introduction

7.1. Information on employment is very important in analysing any industry, but due to the increasing importance of tourism it is of particular interest in the case of tourism. Data on employment in the tourism industries is necessary for government and sector analysts in order to understand the underlying dynamics (type of employee, age, sex, education, occupation, etc.), improve productivity and competitiveness through education and training, evaluate labour costs and improve job prospects by evaluating labour structures and working conditions.

7.2. However, it should be recognized that the world of work in tourism is generally not well-known because reliable data on employment in the tourism industries are generally either not properly identified separately or are insufficiently compiled. For this reason, only a limited number of countries produce meaningful statistics on employment in the tourism industries.[34]

7.3. While the development of a national System of Tourism Statistics (STS) is closely linked with the implementation of a Tourism Satellite Account (TSA), *IRTS 2008, Chapter 7* has been conceived to provide users with answers to a wider range of questions on labour profiles of persons employed in the tourism industries of both a quantitative and a qualitative nature.

7.4. *IRTS 2008, Chapter 7* describes concepts, definitions, basic categories and indicators of employment in the tourism industries from a labour and industry statistics perspective rather than a national accounting perspective.

B. Concepts and definitions

B.1. Jobs and employees

7.5. In general terms, a person having a job is considered to be employed and is part of the economically active population.

7.6. As is clearly explained in the *SNA 2008*, "*individuals may have more than one source of income from employment because they work for more than one employer or, in addition to working for one or more employers; they work on their own account as self-employed. The agreement between an employee and the employer defines a job and each self-employed person has a job.*

[34] For more ample information on difficulties encountered in measuring employment in the tourism industries and countries' best practices in collecting meaningful and comprehensive employment statistics see: ILO and UNWTO (2014), *Technical Guide on Best Practices of Measuring Employment in the Tourism Industries*

The number of jobs in the economy thus exceeds the number of persons employed to the extent that some employees have more than one job. An individual with more than one job may do these successively as when the person works for part of the week in one job and the rest of the week in another or in parallel as when the person has an evening job as well as a daytime job. In some cases, too, a single job may be shared by two persons" (*SNA 2008, 19.30*).

7.7. "*Employees*" or "*persons employed*" are one of the major groups encompassed in the International Classification of Status in Employment[35]. Employees are persons who, by agreement, work for a resident institutional unit and receive remuneration for their labour. Their remuneration is recorded in the SNA as compensation of employees. The relationship of employer to employee exists when there is an agreement, which may be formal or informal, between the employer and a person, normally entered into voluntarily by both parties, whereby the person works for the employer in return for remuneration in cash or in kind. There is no requirement that the employer should declare the agreement to any official authority for the status of employee to apply (*SNA 2008, 19.20*).

B.2. Labour force

7.8. The relevant standards on the labour force are developed and maintained by the International Labour Organization (ILO).[36] The ILO standards are contained in "resolutions", which are adopted by sessions of the International Conference of Labour Statisticians (ICLS).

Box 7.1: ILO definition of work

The resolution of the 19th ICLS 2013 defines the statistical concept of *work* for reference purposes and provides operational concepts, definitions and guidelines for:

(a) distinct subsets of work activities, referred to as *forms of work*;

(b) related classifications of the population according to their *labour force status* and *main form of work*;

(c) measures of *labour underutilization*.

7.9. *Work* comprises any activity performed by persons of any sex and age to produce goods or to provide services for use by others or for own use.

(a) Work is defined irrespective of its formal or informal character or the legality of the activity.

(b) Work excludes activities that do not involve producing goods or services (e.g. begging and stealing), self-care (e.g. personal grooming and hygiene) and activities that cannot be performed by another person on one's own behalf (e.g. sleeping, learning and activities for own recreation).

[35] ILO (1993a), *International Classification of Status in Employment*

[36] Adapted from ILO (2013b), *Resolution concerning statistics of work, employment and labour underutilization*, This resolution substitutes the *Resolution concerning statistics of the economically active population, employment, unemployment and underemployment* adopted by the 13th International Conference of Labour Statisticians (1982) and the amendment of its paragraph 5 adopted by the 18th Conference (2008); the *Resolution concerning the measurement of underemployment and inadequate employment situations* adopted by the 16th Conference (1998), as well as the *Guidelines*, endorsed therein *concerning treatment in employment and unemployment statistics of persons on extended absences from work*; and the *Guidelines on the implications of employment promotion schemes on the measurement of employment and unemployment*, endorsed by the 14th Conference (1987).

7.10. The concept of work is aligned with the General production boundary as defined in the System of National Accounts 2008 (*SNA 2008*) and its concept of economic unit that distinguishes between:

(i) market units (i.e. corporations, quasi-corporations and household unincorporated market enterprises);

(ii) non-market units (i.e. government and non-profit institutions serving households); and

(iii) households that produce goods or services for own final use. Work can be performed in any kind of economic unit.

Box 7.2: Work and SNA 2008

To meet different objectives, five mutually exclusive *forms of work* are identified for separate measurement. These forms of work are distinguished on the basis of the intended destination of the production (for own final use; or for use by others, i.e. other economic units) and the nature of the transaction (i.e. monetary or non-monetary transactions, and transfers), as follows:

(a) *own-use production work* comprising production of goods and services for own final use;

(b) *employment work* comprising work performed for others in exchange for pay or profit;

(c) *unpaid trainee work* comprising work performed for others without pay to acquire workplace experience or skills;

(d) *volunteer work* comprising non-compulsory work performed for others without pay;

(e) *other work activities* (not defined in this resolution).

These "other work activities" include such activities as unpaid community service and work by prisoners ordered by a court or similar authority, or unpaid military and alternative civilian service, which may be treated as a distinct form of work for measurement (e.g. compulsory work performed without pay for others).

Different units are relevant for the production of statistics on each form of work. For compiling and reporting, three basic units are *persons, jobs* or *work activities*, and *time units*:

(a) *Persons* are the basic unit for producing statistics on the population engaged in each form of work.

(b) A *job* or *work activity* is defined as a set of tasks and duties performed, or meant to be performed, by one person for a single economic unit:

(i) The term "job" is used in reference to employment. Persons may have one or several jobs. Those in self-employment will have as many jobs as the economic units they own or co-own, irrespective of the number of clients served. In cases of multiple job-holding, the *main job* is that with the longest hours usually worked, as defined in the international statistical standards on working time.

(ii) This statistical unit, when relating to own-use production work, unpaid trainee work, and volunteer work is referred to as work activity.

(c) *Time units* are used for producing statistics of volume of work in reference to each form of work or to any combination thereof. These units may be short such as minutes or hours, or long such as half-days, days, weeks or months.

Persons may be classified in a short reference period (seven days or one week) according to their *labour force status* as being:

(a) in employment;
(b) in unemployment; or
(c) outside the labour force; and among these, in the potential labour force.

7.11. Persons may engage in one or more forms of work in parallel or consecutively, i.e. persons may be employed, be volunteering, doing unpaid trainee work and/or producing for own use, in any combination.

7.12. Own-use production of goods, employment, unpaid trainee work, a part of volunteer work and "other work activities" form the basis for the preparation of national production accounts within the *SNA 2008* production boundary. Own-use provision of services and the remaining part of volunteer work complete the national production accounts i.e. beyond the *SNA 2008* production boundary but inside the General production boundary (see Figure 7.1).

Figure 7.1: Forms of Work and the System of National Accounts 2008[37]

Intended destination of production	*For own final use*		*For use by others*				
Forms of work	**Own-use production work**		**Employment** (work for pay or profit)	**Unpaid trainee work**	**Other work activities***	**Volunteer work**	
	of services	of goods				in market and non-market units	in households producing: goods	in households producing: services
Relation to SNA 2008	*Activities within the SNA production boundary*						
	Activities inside the SNA General production boundary						

**Includes compulsory work performed without pay for others.*

7.13. The form of work identified as employment sets the reference scope of activities for labour force statistics. The concept *labour force* refers to the current supply of labour for the production of goods and services in exchange for pay or profit.

Box 7.3: Persons outside the labour force

The sum of persons in employment and in unemployment equals the labour force.

Persons outside the labour force are those of working age who were neither in employment nor in unemployment in the short reference period (seven days or one week).

7.14. *Persons in employment* are defined as all those of working age who, during a short reference period, were engaged in any activity to produce goods or provide services for pay or profit. They comprise:

(a) employed persons "at work", i.e. who worked in a job for at least one hour;

(b) employed persons "not at work" due to temporary absence from a job, or to working-time arrangements (such as shift work, flexitime and compensatory leave for overtime; also see Section C.3.

[37] Adapted from ILO (2013b), *Resolution concerning statistics of work, employment and labour underutilization*.

"For pay or profit" refers to work done as part of a transaction in exchange for remuneration payable in the form of wages or salaries for time worked or work done, or in the form of profits derived from the goods and services produced through market transactions, specified in the most recent international statistical standards concerning employment-related income[38]:

(i) It includes remuneration in cash or in kind, whether actually received or not, and may also comprise additional components of cash or in-kind income.

(ii) The remuneration may be payable directly to the person performing the work or indirectly to a household or family member.

7.15. *Persons in unemployment* are defined as all those of working age who were not in employment, carried out activities to seek employment during a specified recent period and were currently available to take up employment given a job opportunity, where:

(a) "not in employment" is assessed with respect to the short reference period for the measurement of employment;

(b) to "seek employment" refers to any activity when carried out, during a specified recent period comprising the last four weeks or one month, for the purpose of finding a job or setting up a business or agricultural undertaking. This includes also part-time, informal, temporary, seasonal or casual employment, within the national territory or abroad.

7.16. As is explained in *IRTS 2008, 7.8. - 7.11.* persons may have two or more jobs during a given reference period, and all, some or none of these jobs may be undertaken in the tourism industries. The difference between the concepts of jobs and persons employed is also clarified in Box 7.4.

Box 7.4: Jobs versus employment

The concept of jobs differs from the concept of employment:

- It includes second, third, etc. jobs of the same person. Those second, third, etc. jobs of a person may either successively follow one another within the reference period (usually, a week) or, as when someone has an evening job as well as a daytime job, run in parallel.
- On the other hand, it excludes persons temporarily not at work but who have a "formal attachment to their job" in the form, for instance, of "an assurance of return to work or an agreement as to the date of return". Such an understanding between an employer and a person on lay-off or away on training is not counted as a job.

Source: *European system of accounts (ESA 2010), 11.17-11.19*

7.17. The distinction between *employed persons* and *jobs* leads to the following three measures of employment in the tourism industries:

- As a count of the persons employed in tourism industries in any of their jobs.
- As a count of the persons employed in tourism industries in their main job, or
- As a count of the jobs in tourism industries.

7.18. An example of the practical application of the measures of "main job" and "other job(s)" is presented in the United Kingdom case study (Box 7.5).

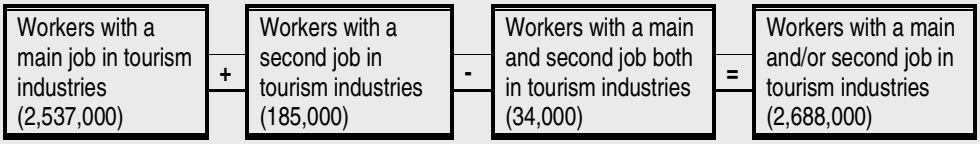
[38] ILO (1998), *Resolution concerning the measurement of employment-related income*.

7.19. *Status* in employment refers to the type of explicit or implicit contract of employment with other persons or organizations that the economically active person has in his/her job. The basic criteria used to define the groups of the classification are the type of economic risk, an element of which is the strength of the attachment between the person and the job, and the type of authority over establishments and other workers that the person has or will have in the job. IRTS 2008 suggests to use two categories of *status* in employment to classify *employed persons* with respects to a given *job*: paid employment or self-employment. Further information is given in Section D.1.3.

Box 7.5: Country example – The case of the United Kingdom: workers in main and second jobs in tourism industries

There were 2.5 million people with a main job in tourism industries in 2011 in the United Kingdom and, of these, some 34,000 also had a second job in tourism industries. There were an addition 150,000 people with second jobs in tourism as recorded by the Annual Population Survey (APS). These data are summarised in Figure 3 which illustrates that just under 2.7 million workers had a main job or second job (or both) in tourism industries in 2011.

Workers with a main or second job or both in Tourism Industries 2011



Results based on the household survey (APS) indicate that, in 2011, employment in main and second jobs in tourism industries in the United Kingdom was **2.7 million**, 9.1 per cent of the total for all industries.

B.3. Employment in the tourism industries versus tourism employment

7.20. IRTS 2008 mentions two employment conceptual frameworks – *employment in tourism industries and tourism employment.* Both are useful in revealing different aspects and dimensions of the employment effects of tourism, and both ultimately serve different information needs of end-users.

7.21. The concept of *employment in the tourism industries* refers to all jobs (in all occupations) in the tourism industries. As already mentioned (IRTS 2008, 6.15. to 6.20.), in each country, the tourism industries include all establishments whose main activity is a tourism-characteristic activity. These tourism industries are common to all countries except for the individual *country-specific tourism characteristic activities* (categories 11 and 12; IRTS 2008, 5.18.).

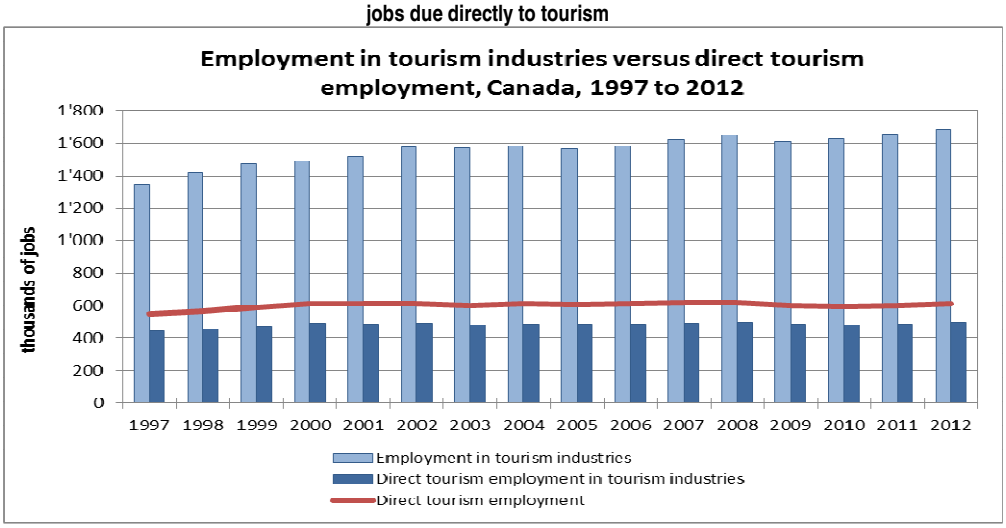
7.22. It should be noted that persons engaged in tourism-characteristic activities of an establishment belonging to a non-tourism industry (e.g. all establishments whose principal activity is not a tourism-characteristic activity) are not included in "employment in the tourism industries". On the other hand, persons employed in an establishment belonging to a tourism industry who participate in the establishment's non-tourism-characteristic activities are included in "employment in the tourism industries" (IRTS 2008, 7.4).

7.23. The concept of *tourism employment*, in accordance with the IRTS 2008, refers to "employment strictly related to the goods and services acquired by visitors and produced by either tourism industries or other industries" (IRTS 2008, 7.3.). Hence, tourism employment is a measure of the number of jobs directly attributable to tourism demand in tourism and non-tourism

industries, held by employees, self-employed and contributing family workers.[39] For example, in the food and beverage services industry, only those jobs that are directly associated with tourism (17.2%) are counted in the Canadian Tourism Satellite Account as jobs generated by, or attributable to tourism. On the other hand, generally, jobs generated in agriculture to support production in the food and beverage services industry (i.e. indirect employment) are not included[40]. This is not to say that some employment in agriculture can be directly due to visitor spending, i.e. road-side fruit and vegetable stalls.

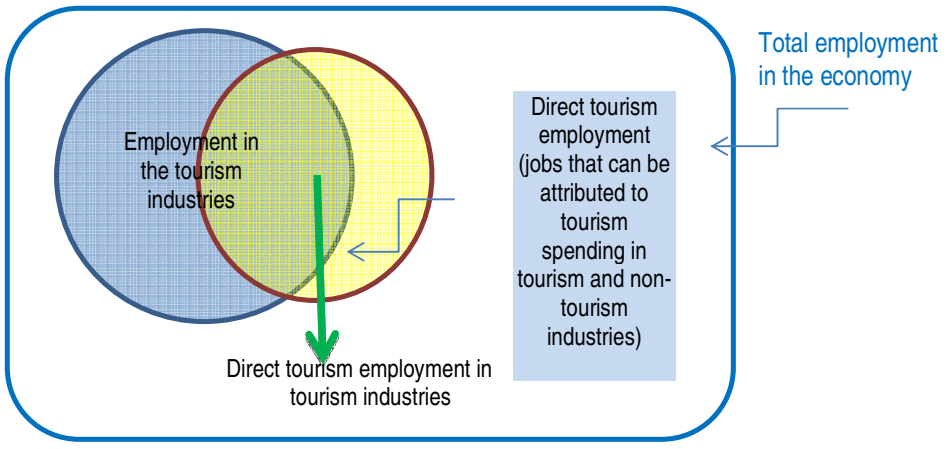
7.24. By way of illustration, the different values of measures described above are shown in Figure 7.1 and Figure 7.2. outline schematically different types of tourism related employment.

Figure 7.2: Canada – Jobs in tourism industries versus jobs due directly to tourism



The difference between employment in the tourism industries and the direct tourism employment is that the former refers to all the jobs (or persons engaged) in both tourism-characteristic activities and non-tourism-characteristic activities in all establishments in tourism industries and the latter measures jobs in tourism industries that can be attributable to tourism spending plus jobs in non-tourism industries that can be directly attributed to tourism spending.

Figure 7.3: Employment in tourism industries



[39] Sometimes also called "direct tourism employment" because jobs are directly attributable to tourism.

[40] Meis, *Measuring Employment in the Tourism Industries Beyond the Tourism Satellite Account: A Case Study of Canada*, 2013, p. 6.

C. Measurement of employment as demand and supply of labour

7.25. Depending on the user needs employment in tourism industries can be measure in four different ways (*IRTS 2008, 7.23*):

- Number of persons;
- Number of jobs (full-time/part-time);
- Number of hours of work;
- Full-time equivalent employment.

C.1. Count of jobs vs. count of persons

7.26. As already mentioned (paragraph 7.6) a person may occupy more than one job, involved in tourism-characteristic activities, which may be located in different establishments belonging to different tourism industries. 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. One solution to this problem is to count people employed in their main job only. In this way the sum of persons employed in the tourism industries will equal the sum of persons employed in individual tourism industries. It should be recognized however, that this approach will miss employment in the tourism industries through secondary and tertiary jobs. In general, it is recommended that the main job should be chosen as the one with the longest hours usually worked during the reference period. The decision taken should be consistently applied. Selecting the main job is usually not difficult for the short reference period for current employment activity.

7.27. However, problems may arise with persons temporarily absent from their main job in the reference period and with selecting a previous job for the unemployed. It is recommended that jobs from which the person is temporarily absent should not be considered as the main job if the person is employed and at work in another job during the reference week. It is not stated in the ILO international recommendation, but implied, that if the person does not have any other employment in the reference period, then the job from which he or she is absent should be the main job. It has usually been found that most economically active persons do report about any job from which they are temporarily absent and expect it to be recorded. That applies particularly to wage earners on leave, and the like, but is also very common for the self-employed.[41]

7.28. Examples of questions used to collect data on the main job and additional job(s) in labour force surveys and an employee job in establishment surveys are given in Annex 3, see questions 2, 47, 48 and Annex 4. Australian Survey of Employees Earnings and Hours, question 1.

C.2. Full-time and part-time jobs

7.29. According to the ILO Convention[42], the term *part-time worker* means an employed person whose normal hours of work are less than those of comparable full-time workers. The term *comparable full-time worker* refers to a full-time worker who:

[41] Also see: UN-ILO (2010), *Measuring the Economically Active in Population Censuses: A Handbook*. Chapter VI Descriptive Characteristics for the Main Job

[42] ILO (1994), *Part-Time Work Convention*, 1994 (No. 175), Article 1(a) and(c)

(i) has the same type of employment relationship;

(ii) is engaged in the same or a similar type of work or occupation; and

(iii) is employed in the same establishment or, when there is no comparable full-time worker in that establishment, in the same enterprise or, when there is no comparable full-time worker in that enterprise, in the same branch of activity, as the part-time worker concerned.

Consequently, a *part-time job* is a position that requires a person to work a lower number of hours than would be considered full-time by his/her employer. National criteria of a full-time and part-time job may vary from country to country. For instance, in Canada and New Zealand, the full-time (work hours) category includes employed persons who usually worked 30 hours or more per week, at their main or only job. The part-time (work hours) category includes employed persons who usually worked less than 30 hours per week, at their main or only job.[43] In Australia, a modern award usually defines a part-time employee as an employee who is engaged to work less than an average of 38 ordinary hours per week and whose hours of work are reasonably predictable, with a guaranteed minimum number of hours of work.[44]

7.30. The preferred official national data source on the number and profile of full- and part-time jobs is an *establishment-based sample survey of employment, wages and hours of work*. The preferred official national data source covering both employees and, especially, self-employed persons is a *household-based sample labour force survey*. Examples of questions used to collect data on full-time and part-time employment are given in Annex 3, questions 31 and 32 main job and question 53 second job. In the absence of the above data sources, Population Census counts, special industry surveys with employment modules and business registers should be used.

C.3. Hours of work

7.31. Statistics on working time in their own right have become central to describing and analysing issues relating to employment, productivity and conditions of work.[45] They are important and valuable for all countries (developed and developing alike) to observe all work activities. The amount of time spent at work and the working-time arrangements of this time have far-reaching legal, financial, economic and social implications for individuals and nations.

7.32. Several concepts of working time are associated with the productive activities of a person and performed in a job, viz.

- *hours actually worked*, the key concept of working time defined for statistical purposes applicable to all jobs and to all working persons;
- *hours paid for*, linked to remuneration of hours that may not all correspond to production;
- *normal hours of work* that refer to legally prevailing collective hours;

[43] Statistics Canada. *Classification of Full-time and Part-Time Work Hours*. This classification was approved as a departmental standard on June 21, 2010.

[44] The Fair Work Act 2009 introduced both modern awards and the National Employment Standards (NES). The NES provides a set of minimum employment standards which are applicable to the great majority of Australian employees. Modern awards provide an additional range of employment conditions and must be read in conjunction with the NES.

[45] Detailed discussion about the usefulness and importance of collecting working time statistics is given in ILO, *Report II. Measurement of working time*, 2008.

- *contractual hours of work* that individuals are expected to work according to contractual relationships as distinct from normal hours;
- *hours usually worked* most commonly in a job over a long observation period,
- *overtime hours of work* performed beyond contracts or norms; and
- *absence from work hours*, when working persons do not work[46].

7.33. Notably, the definition of hours actually worked (see Box 7.6) specifies that it applies to all types of jobs (within and beyond the SNA production boundary) and is not linked to administrative or legal concepts. Thus, some countries may be interested to have information on the number of hours actually worked by unpaid trainees engaged in tourism establishments or volunteers working in market or non-market units (e.g. non-profit organisations) active in the tourism sector, even though such persons will not be classified as employed according to the SNA production boundary.

Box 7.6: Concepts of working time

Hours actually worked

(1) Hours actually worked is the time spent in a job for the performance of activities that contribute to the production of goods and/or services during a specified short or long reference period. Hours actually worked applies to all types of jobs (within and beyond the SNA production boundary) and is not linked to administrative or legal concepts.

(2) Hours actually worked measured within the SNA production boundary includes time spent directly on, and in relation to, productive activities; down time; and resting time.

Hours paid for

(1) Hours paid for applies to a paid-employment job and to a self-employment job paid on the basis of time units (within the SNA production boundary).

(2) For a paid-employment job, hours paid for is:

(a) The time for which persons have received payment from their employer (at normal or premium rates, in cash or in kind) during a specified short or long reference period, regardless of whether the hours were actually worked or not;

(b) This includes time paid but not worked such as paid annual leave, paid public holidays and certain absences such as paid sick leave.

(c) This excludes time worked but not paid by the employer, such as unpaid overtime, and absences that are not paid by the employer, such as unpaid educational leave or maternity leave that may be paid through transfers by government from social security systems.

(3) For a self-employment job (formal or informal) paid on the basis of time units, hours paid for is equivalent to hours actually worked.

It may be useful to separately identify hours paid for that are actually worked (as overtime or not) from other hours paid for (that are not worked).

Normal hours of work are the hours fixed by or in pursuance of laws or regulations, collective agreements or arbitral awards to be performed in specified paid-employment jobs over specified reference period, such as per day, week, month or year (within the SNA production boundary). Normal hours of work may also apply to a job in self-employment when the hours are in accordance with the hours fixed for all jobs in a specific industry or occupation (such as for

[46] ILO (2008a), *Resolution concerning the measurement of working time*.

drivers to ensure public safety).
Hours usually worked is the typical value of hours actually worked in a job per short reference period such as one week, over a long observation period of a month, quarter, season or year that comprises the short reference measurement period used. Hours usually worked applies to all types of jobs (within and beyond the SNA production boundary).

C.4. Full-time equivalent employment

7.34. As mentioned in *IRTS 2008, 7.21* (intensity of work) information on the total number of working hours is required[47] to obtain the total volume of labour of a given tourism industry and to convert jobs into full-time equivalent employment or annual total hours worked (as defined by the *SNA 2008 18.44* and *19.43*.).

Box 7.7: Full-time equivalent employment

Full-time equivalent employment is the number of full-time equivalent jobs, defined as total hours actually worked by all employed persons divided by the average number of hours actually worked in full-time jobs.

Source: *SNA 2008, 14.43*.

7.35. It is recommended to use the average hours of full-time workers economy-wide as the basis to determine the full-time equivalents of part-time jobs.

Table 7.1: Number of jobs and full-time equivalents (FTE) in Austrian tourism industries 2009

Tourism characteristic industries	Number of jobs		Full time equivalents (FTE)					
			Employees		Self-employed		Total	
	in 1 000	Share in %	in 1 000	Share in %	in 1 000	Share in %	in 1 000	Share in %
Hotels and restaurants								
Total	**178,8**	***58,2***	**124,2**	***55,7***	**25,9**	***69,6***	**150,0**	***57,7***
Hotels and similar	73,7	*24,0*	51,6	*23,2*	9,4	*25,3*	61,0	*23,5*
Restaurants and similar	105,1	*34,2*	72,5	*32,6*	16,5	*44,3*	89,0	*34,2*
Passenger transport								
Total	**101,5**	***33,1***	**82,7**	***37,1***	**6,1**	***16,5***	**88,8**	***34,2***
Railway passenger transport	9,1	*2,9*	7,0	*3,2*	0,0	*0,0*	7,0	*2,7*
Other land passenger transport	47,0	*15,3*	36,6	*16,4*	3,0	*8,1*	39,6	*15,2*
Water passenger transport	0,0	*0,0*	0,0	*0,0*	0,0	*0,0*	0,0	*0,0*
Air passenger transport	6,2	*2,0*	5,0	*2,3*	0,3	*0,8*	5,3	*2,1*
Passenger transport supporting services	1,5	*0,5*	1,4	*0,6*	0,0	*0,1*	1,4	*0,5*
Travel agencies, tour operators	37,7	*12,3*	32,6	*14,6*	2,8	*7,5*	35,4	*13,6*
Culture, entertainment, sport								
Total	**26,7**	***8,7***	**15,9**	***7,2***	**5,2**	***13,9***	**21,1**	***8,1***
Culture and entertainment	17,3	*5,6*	10,3	*4,6*	3,3	*9,0*	13,6	*5,2*
Sport	9,5	*3,1*	5,6	*2,5*	1,8	*4,9*	7,5	*2,9*
Total								
	307,0	***100,0***	**222,8**	***100,0***	**37,1**	***100,0***	**259,9**	***100,0***

Source: Statistics Austria, Tourism Satellite accounts for Austria, WIFO (Austrian Institute of Economic research), compiled on 21 March 2001, 1) Preliminary results

[47] Working time comprises the time associated with productive activities and the arrangement of this time during a specified reference period. See: ILO (2008a), *Resolution concerning the measurement of working time*

7.36. At this point, it is important to mention the following new vision of the future usefulness and robustness of the full-time equivalent concept encompassed in *SNA 2008*.

Box 7.8: Labour input in *SNA 2008*

The SNA does not recommend full-time equivalent employment as the preferred measure of labour inputs. However, if the data are good enough to permit an estimation of total hours actually worked, full-time equivalent employment should also appear in association with the national accounts. One reason is that this facilitates international comparisons with countries which can only estimate full-time equivalent employment. However, with the move by the ILO to recommend recording total hours actually worked as the preferred measure of labour input, the use of full-time equivalents is likely to be gradually phased out.

Source: *SNA 2008, 14.45.*

D. Characteristics of employment

D.1. International classifications

D.1.1. International Standard Classification of Occupations (ISCO-08)

7.37. Occupation refers to the kind of work done during the reference period by the person employed (or the kind of work done previously if unemployed). Information on occupation provides a description of a person's job. In the present context a job is defined as a set of tasks and duties performed, or meant to be performed, by one person, including for an employer or in self-employment.

7.38. Jobs are classified by occupation with respect to the type of work performed, or to be performed. This may be a past job, for persons who are unemployed, a present job, for employed persons, or a future job, for jobseekers. It is therefore important to determine whether the classification by occupation is made with respect to one job only or for a number of jobs. Consequently, it is important that the questionnaire specifies on which job the information is to be collected, the main job, the secondary job, the past, the future. Main job is often defined as the one with the longest hours usually worked during the reference period and the one for which detailed information is collected on industry and occupation.

7.39. The International Standard Classification of Occupations (ISCO-08) provides a system for classifying and aggregating occupational information obtained by means of statistical censuses and surveys, as well as from administrative records.

7.40. ISCO-08 is a four-level hierarchically structured classification that allows all jobs in the world to be classified into 436 unit groups. These groups form the most detailed level of the classification structure and are aggregated into 130 minor groups, 43 sub-major groups and 10 major groups, based on the similarity of the skill level and skill specialization required.[48]

[48] Two dimensions of the skill concept are used: skill level, which is a function of the range and complexity of the tasks involved, where the complexity of tasks has priority over the range; and skill specialization, which reflects type of knowledge applied, tools and equipment used, materials worked on, or with, and the nature of the goods and services produced. While a national occupational classification may use references to the national educational system to define an appropriate number of skill level categories, ISCO-08 uses the International Standard Classification of Education, ISCED (UNESCO, 1997) to define four broad categories of "skill level".

7.41. It should be emphasized that, while serving as a model, ISCO-08 is not intended to replace any existing national classification of occupations, as the occupational classification of individual countries should fully reflect both the structure of the national labour market and relevant special national information needs

7.42. ISCO-08 seeks to facilitate international communication about occupations by providing statisticians with a framework to make internationally comparable occupational data available, and by allowing international occupational data to be produced in a form that can be useful for research as well as for specific decision-making and action-oriented activities, such as those connected with international migration or job placement.

7.43. One of the key characteristics used in the organization and retrieval of labour market information is the occupational characteristics of both employees and jobs. It should be noted that so far, a list of tourism characteristic occupations based on ISCO-08 has not been developed.

Box 7.9: International Standard Classification of Occupations – Job

In the context of International Standard Classification of Occupations (ISCO-08) ***a job is defined*** as a set of tasks and duties performed, or meant to be performed, by one person, including for an employer or in self-employment.
By applying the above concept, it is possible to assume that **a job in a tourism industry** can be defined as a set of tasks and duties performed, or meant to be performed by one person in an establishment that carries out a tourism characteristic activity as its principal activity.

7.44. At a minimum, it is useful to collect and compile data about tourism characteristic occupations for the following reasons:

(i) Need to know the nature and type of jobs to be found in industries that cater to the needs of visitors and to monitor change over time; and

(ii) Tourism authorities and policy-makers need to examine labour demand and supply in terms of occupations, skills and training requirements.

7.45. As a preliminary starting point, Statistics Canada and Canadian Tourism Human Resource Council use an approach to identify *tourism characteristic occupations*. It is described in the Proposal for Identifying Characteristic Occupations of the Tourism Industries as a Tourism Thematic View within ISCO-08 and National Occupational Classification Systems[49].

7.46. A tourism characteristic occupation is one in which employment would be significantly affected as a direct result of an absence of tourism and that satisfies each of the following four criteria:

1) The occupation should be found within tourism industries.

2) The occupation should involve direct contact with visitors or that involve the supervision or management of job holders in direct contact with visitors.

3) The tourism industries should account for a significant share of all jobs in that occupation.

4) The occupation makes up a significant share of all jobs in the tourism industries.

As mentioned in paragraph 7.43 there is no agreed definition of tourism characteristic occupation yet and this is a provisional yet useful approach.

[49] For further and more detailed information see: ILO, *Proposal for Identifying Characteristic Occupations of the Tourism Industries as a Tourism Thematic View within ISCO-08 and National Occupational Classification Systems*

D.1.2. International Standard Classification of Education (ISCED-97)

7.47. The purpose of ISCED is to provide an integrated and consistent statistical framework for the collection and reporting of internationally comparable education statistics.[50] The coverage of ISCED-97 extends to all organised and sustained learning opportunities for children, youth and adults, including those with special educational needs, irrespective of the institutions or organisations providing them or the form in which they are delivered.

7.48. ISCED is a multi-purpose system, designed for education policy analysis and decision making, whatever the structure of the national education systems and whatever the stage of economic development of a country. It can be utilized for statistics on many different aspects of education such as statistics on pupil enrolment, on human or financial resources invested in education or on the educational attainment of the population. The basic concept and definitions of ISCED have therefore been designed to be universally valid and invariant to the particular circumstances of a national education system. However, it is necessary for a general system to include definitions and instructions that cover the full range of education systems.

7.49. For instance, an employed person, when answering a question on the highest completed level of general education at school, will base his/her response on the national classification system. Since education systems differ across countries, there is no unambiguous definition of general school education. Therefore, in order to arrive at internationally comparable data, as a first step, countries would use their own classification system and, in a second step, where possible, a correspondence would be made with the internationally accepted Standard Classification of Education (ISCED-97).

7.50. ISCED-97 identifies the following seven levels of education:

Level 0 - Pre-Primary level of education (provides a bridge between the home and a school-based atmosphere)

Level 1 - Primary level of education (gives a sound basic education in reading, writing and mathematics along with an elementary understanding of other subjects).

Level 2 - Lower secondary level of basic education (completes the provision of basic education which began at ISCED 1).

Level 3 - Upper secondary level of education (begins at the end of full-time compulsory education).

Level 4 - Post-secondary non-tertiary level of education (captures programmes that straddle the boundary between upper-secondary and post-secondary education).

Level 5 - First stage of tertiary education (consists of tertiary programmes having an educational content more advanced than those offered at levels 3 and 4).

Level 6 - Second stage of tertiary education, leading to an advanced research qualification (reserved for tertiary programmes which lead to the award of an advanced research qualification).

[50] UNESCO (1997), *International Standard Classification of Education (ISCED-97)*, paragraph 15

7.51. The Canadian case study below describes relationship between jobs held and education requirements in tourism industries.

Box 7.10: Country example – Education levels in Canada

As often noted in the tourism employment literature, many jobs in tourism are associated with relatively low skill and education requirements. This generalization is supported in these Canadian data on persons working in tourism industries showing that most tourism workers in Canada have relatively low education levels compared with Canadian workers in general. Only about one in ten (12.3%) tourism workers hold a university certificate or degree compared to 22.3% of persons employed in the overall work force; whereas, 23.3% of tourism workers had no certificate, diploma or degree compared with 14.5% in the overall Canadian workforce.

However, at the industry group level within the tourism sector in Canada, the generalization about low education levels of tourism workers is not sustained. Indeed, the Canadian data on the demography of the workers in Canadian tourism industries reveal considerable variability in the education levels of workers across tourism industry groups. Thus, in both the recreation and entertainment industry group and the travel services industry group, tourism workers have approximately the same shares of workers with a university certificate or degree (22.7%) as is found in the overall Canadian work force; while workers in the food and beverages, accommodation and transportation industry groups have much lower shares of workers with a university certificate or degree (7.2%, 11.8%, and 11.9%). Similarly, workers in the food and beverage, and Accommodation industry groups have much higher shares of workers with no certificate, diploma or degree (31.9% and 20.6%).

Source: *Meis (2013), Measuring Employment in the Tourism Industries Beyond the Tourism Satellite Account: A Case Study of Canada*

D.1.3. International Classification of Status in Employment (ICSE-93)

7.52. The status in employment (*paid employment* versus *self-employment*) was already briefly introduced in paragraph 7.19. The text below contains additional information on status on employment and on the classifications groups and use of ICSE-93.[51]

7.53. It should be noted again that for operational purpose, both the *IRTS 2008* and *TSA:RMF 2008* recommends to use only two groups of ICSE-93, namely employees and the self-employed. The rationale is that, except for employees, other ICSE-93 groups are not easily comparable across countries. Because of these differences, the only distinction in both *IRTS 2008* and *TSA:RMF 2008* is made between (paid) employees and the self-employed persons (employers and other non-employees), see also Table 7.1 for a country example.

7.54. However, the above does not preclude countries from presenting data on persons employed in tourism industries classified by any other ICSE group(s).

7.55. It is recommended that employed persons be classified to status in employment according to the following rules:

(a) A person with only one classifiable job during the reference period should be classified to the status in employment group of that job; and

[51] ILO (1993b), *Resolution concerning the international classification of status in employment* (ICSE-93), ILO (2000), *Current International Recommendations on Labour Statistics* see also ILO, *Current Guidelines*

(b) A person with two or more jobs during the reference period should be classified to the status in employment group of the job at which he/she has worked the longest hours usually worked during the reference period.

7.56. The classification is based on the *type of employment contract*. The *primary unit* for this variable is a *job*. The *main similarity criterion* used to construct the classification is whether or not the remuneration received depends totally on the (potential for) profits from the sales of the goods and services that are produced by the economic unit in which the job is located. If it does, then this is considered to be a *self-employment job*, and if it does not, i.e. some of the remuneration is independent of the (potential for) profits, then this is considered to be a *paid employment job*.

Table 7.2: Estimated Workforce Jobs 2008 (Seasonally Adjusted): Tourism and Non-Tourism Industries in the United Kingdom

Tourism Industries	Estimated Workforce Jobs (1,000s)			
	Q1 2008	Q2 2008	Q3 2008	Q4 2008
Employee jobs	2,815	2,829	2,828	2,808
Self-employment	530	529	522	529
Government Supported Trainees	3	2	2	2
Total	3,347	3,361	3,352	3,339
Non-Tourism Industries: Total	28,406	28,412	28,371	28,103
All Industries: Total	31,753	31,772	31,723	31,442

***Source**: United Kingdom Workforce Jobs 2008, Annual Population Survey*
Data may not sum due to rounding.

7.57. Stemming from the above, *paid employment jobs* are those jobs where the incumbents hold explicit (written or oral) employment contracts which give them a basic remuneration. This is not directly dependent upon the revenue of the enterprise for which they work. Persons in these jobs are typically remunerated by wages and salaries, but may be paid by commission from sales, by piece-rates, bonuses or in-kind payments

7.58. ***Self-employment jobs*** are those jobs where the remuneration is directly dependent upon the profits (or the potential for profits) derived from the goods or services produced (where own consumption is considered to be part of the profits). The incumbents make the operational decisions affecting the enterprises, or delegate such decision while retaining responsibility. (In this context "enterprise" includes one-person operations.)

7.59. Box 7.11 presents the *International Classification of Status in Employment (ICSE-93)* that consists of the following groups:

Box 7.11: International Classification of Status in Employment (ICSE-93)

The International Classification of Status in Employment (ICSE-93) consists of the following groups:

1. **Employees**, who hold the type of jobs defined as "paid employment". There is an agreement, which can be either formal or informal, between an enterprise and a person, whereby the person works for the enterprise in return for remuneration in cash or in kind - among whom countries may need and be able to distinguish "employees with stable contracts" (including "regular employees");

2. **Employers**, who hold self-employment jobs (i.e. whose remuneration depends directly on the (expectation of) profits derived from the goods and services produced) and engage one or more person to work for them as 'employees', on a continuous basis;

3. **Own-account workers**, who hold self-employment jobs and do not engage 'employees' on a continuous basis;

4. **Members of producers' cooperatives**, who hold self-employment jobs in a co-operative producing goods and services, where the members take part on an equal footing in making major decisions concerning the cooperative;

5. **Contributing family workers**, who hold self-employment jobs in an establishment operated by a related person, with a too limited degree of involvement in its operation to be considered a partner;

6. **Workers not classifiable by status**, for whom insufficient relevant information is available, and/or who cannot be included in any of the preceding categories.

D.2. Key variables

7.60. *IRTS 2008, 7.27 recommends* that countries collect the following key variables for each of the tourism industries and for the tourism industries as a whole:

i. Employment by age group, sex and nationality/country of residence (if relevant) expressed in terms of number of jobs, persons, hours of work, full-time equivalent;

ii. Employment by type of establishments (size, formal, informal, etc.);

iii. Employment classified by occupation and status in employment;

iv. Permanent/temporary employment expressed in terms of number of jobs, persons, hours of work, full-time equivalent, etc.

v. Employment by educational attainment.

vi. Hours of work (normal/usual, actually worked, paid for).

vii. Working time arrangements.

7.61. Measurement aspects of variables "i" – "vi" (with the exception of "ii" - informal establishments) are explained in earlier sections (Sections B and C of this chapter) : employment in terms of jobs and persons, main and all other jobs. Examples of selected tables produced by Slovakia with these variables are provided Table 7.3.

Table 7.3: Slovakia: Employment in tourism industries by status of employment

	Basic data and indicators	Unit	2008	2009	2010
5.	EMPLOYMENT				
	Number of employees by tourism industries (1)				
5.1	Total	('000)	92.7	99.3	94.1
5.2	♦ Accommodation services for visitors (hotels and similar establishments)	('000)	14.4	11.7	10.9
5.3	♦ Other accommodation services	('000)	..	..	..
5.4	♦ Food and beverage serving activities	('000)	34.8	43.7	39.0
5.5	♦ Passenger transportation	('000)	22.1	21.1	22.1
5.6	♦ Travel agencies and other reservation services activities	('000)	2.2	2.8	2.8
5.7	♦ Other tourism industries (2)	('000)	19.2	20.0	19.4
	Number of jobs by status in employment				
5.8	Total	('000)	116.7	126.4	118.4
5.9	♦ Employees	('000)	95.0	105.5	98.4
5.10	♦ Self employed	('000)	21.7	20.9	20.0
	Indicators				
	Number of full-time equivalent jobs by status in employment				
5.11	Total	('000)	110.3	120.4	114.0
5.12	♦ Employees	('000)	88.9	100.7	94.9
5.13	* male	('000)	42.3	45.5	42.6
5.14	* female	('000)	46.6	55.2	52.3
5.15	♦ Self employed	('000)	21.4	19.7	19.1
5.16	* male	('000)	14.5	12.8	12.4
5.17	* female	('000)	6.9	6.9	6.7

(1) TSA (*TSA:RMF 2008*) international comparable tourism industries;
(2) Culture, sport and recreational services.

7.62. As employment variables "i" – "vii" (paragraph 7.61) are eventually used for an in-depth analysis of a country's tourism industries within a social and economic context, countries should also collect the following variables characterizing the monetary aspect of labour (*IRTS 2008, 7.28*):

viii. Compensation of employees.
ix. Labour cost, and
x. Mixed income of self-employed persons.

7.63. Definitions of variables "ii" (informal sector enterprises/establishments), "vii" (working time arrangements) and "viii" - "x" are given below.

D.2.1. Informal sector enterprises

7.64. According to the ILO definition, "the term *'informal economy'* refers to all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements. Their activities are not included in the law, which means that they are operating outside the formal reach of the law; or they are not covered in practice, which means that – although they are operating within the formal reach of the law, the law is not applied or not enforced; or the law discourages compliance because it is inappropriate, burdensome, or imposes excessive costs."[52]

7.65. Employment in the informal sector relates to two concepts:

- Employment in the informal sector
- Informal employment

While these concepts are related and complement each other, they are different as they refer to different aspects of the informalization of employment as *employment in the informal sector* is an *enterprise-based concept* and *informal employment* is a *job-based concept*. It is Important to keep them separate for measurement, analysis, and policymaking purposes.

7.66. The *informal sector* is broadly characterised as consisting of units engaged in the production of goods or services with the primary objective of generating employment and incomes to the persons concerned.

7.67. These units typically operate at a low level of organisation, with little or no division between labour and capital as factors of production and on a small scale. Labour relations - where they exist - are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees. In many tourism characteristic activities mainly those related to accommodation and food serving services mostly in less advanced countries or isolated regions, such types of units prevail.

7.68. The size of these units in terms of employment is below a certain threshold to be determined according to national circumstances, and/or they are not registered under specific forms of national legislation (such as factories' or commercial acts, tax or social security laws, professional groups' regulatory acts, or similar acts, laws or regulations established by national legislative bodies as distinct from local regulations for issuing trade licenses or business permits), and/or their employees (if any) are not registered.

7.69. *Employment in the informal sector* is defined as comprising all jobs in informal sector enterprises, or all persons who, during a given reference period, were employed in at least one informal sector enterprise, irrespective of their status in employment and whether it was their main or a secondary job.[53]

7.70. *Informal employment* refers to those jobs that generally lack basic social or legal protection or employment benefits. It comprises the total number of informal jobs, whether carried out in formal sector enterprises, informal sector enterprises, or households (paid domestic workers, goods production for own-consumption), during a given reference period.

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[52] ILO (1993c), *Resolutions concerning statistics of employment in the informal sector* and ILO (2002), *Resolution concerning decent work and the informal economy.*

[53] ILO (2003), *Guidelines concerning a statistical definition of informal employment*

7.71. Informal employment includes:

- *Own-account workers and employers employed in their own informal sector enterprises,*
- *Contributing family workers,*
- *Employees holding informal jobs,*
- *Members of informal producers' cooperatives,*
- *Own-account workers engaged in the production of goods exclusively for own final use by their household.*

7.72. Thus, employees have informal jobs if their employment relationship is, in law or in practice, not subject to national labour legislation, income taxation, social protection or entitlement to certain employment benefits (advance notice of dismissal, severance pay, paid annual or sick leave, etc.).

7.73. Due to existence of multiple jobholding, the observation unit for informal employment is a job rather than employed person. Data collected should be tabulated as total employment classified by type of production unit and type of job.

Box 7.12: Criteria for measuring informal jobs

The 17th International Conference of Labour Statisticians (ICLS) recommends the following *operational criteria for measuring informal jobs of employees*:

(i)	Lack of coverage by social security system
(ii)	Lack of entitlement to paid annual or sick leave
(iii)	Lack of written employment contract
(iv)	Casual/temporary nature of work

It should be noted that the mere presence of criterion "iii" or "iv" is not sufficient to consider a job as being informal.

D.2.2. Working time arrangements

7.74. *Working-time arrangements* describes measurable characteristics of a job that refer to the organization (length and timing) and scheduling (stability or flexibility) of work and non-work periods during a specified reference day, week, month or longer period and applies to all types of jobs (within and beyond the SNA production boundary), including in informal employment and in agricultural communities[54]; more specifically:

(a) The organization reflects the length and timing of the working time in a job:

(i) the length may be shorter or longer than a norm based on national circumstances, there may be fewer or more daily or weekly hours, fewer or more days worked per week for a short reference period or fewer weeks (part-year) for a long reference period;

(ii) the timing may be inside or outside core hours or core days (performed at night or at weekends).

[54] For more detailed information see: ILO (2008a), *Resolution concerning the measurement of working time*

(b) The scheduling reflects the stability or flexibility of the length and timing of working time in a job from one day, week or longer period to the next, shifts that vary every day or week, different entry and exit times, etc.

7.75. *Formalized working-time arrangements* relate to specific combinations of the organization and scheduling of working time that are recognized by law, collective agreement, etc. They may be stipulated in explicit or implicit employment contracts.

7.76. Thus, self-employment or household service and volunteer jobs may practice a formalized working-time arrangement based on work requirements, personal or household preference (such as customer contracts or fixed opening hours of shops, schools, etc.).

Box 7.13: Examples of working time arrangements

(a) *Compressed working week arrangements*, characterized by organizing the working time over fewer days than what is considered the normal or standard working week.

(b) *Fixed working arrangements*, characterized by set starting and finishing hours or core hours for individuals or groups of persons in paid employment or for persons in self-employment.

(c) *Job-sharing arrangements*, characterized by the filling of an existing full-time position by two or more persons (including transitional arrangements), each working part time, possibly with different arrangements, on an ongoing, regular basis.

(d) *Part-time work arrangements*, characterized by a voluntary or involuntary reduction of hours or a job that reduces contractual hours or hours usually worked, which are less than those of comparable full-time work

(e) *Regular overtime hours arrangements*, characterized by hours worked in addition to the contractual or hours usually worked and that are compensated by the employer for paid employment jobs.

(f) *Staggered and block working arrangements (*also known as start and end of working day), characterized by established different starting and finishing hours around compulsory core hours, for individuals or groups of persons in paid employment, including split shift work consisting of multiple work periods on the same day.

(g) (g)*Combined extended work and leave periods*, characterized by a number of weeks on, at special work sites (remote areas, on board ships, oil platforms at sea, etc.) and a number of weeks off work.

Source: *ILO, Resolution concerning the measurement of working time, 2008*

D.2.3. Compensation of employees

7.77. Compensation of employees is a wage measure used in connection with the national accounts. The *SNA 2008* details that "*compensation of employees is defined as the total remuneration, in cash or in kind, payable by an enterprise to an employee in return for work done by the latter during the accounting period*", see: System of National Accounts. Chapter 7: The distribution of income accounts, paragraphs 7.5. and 7.42.

7.78. Compensation of employees has two main components:

a. Wages and salaries payable in cash or in kind;

b. Social insurance contributions payable by employers, which include contributions to social security schemes; actual social contributions to other employment-related social insurance schemes and imputed social contributions to other employment-related social insurance schemes

7.79. Wages and salaries (earnings) cover all payments that employees receive for their work, whether in cash or in kind, and before deductions for their contribution to social security, withholding taxes and the like.

7.80. The concept of earnings relates to remuneration in cash and in kind paid to employees for time worked or work done together with remuneration for time not worked, such as annual vacation and their paid leave or holidays.

7.81. The calculation of earnings is based on *wage rates*, which relate to an appropriate time period such as the hour, day, week, month or other customary period, and include basic wages, cost-of-living allowances and other guaranteed and regularly paid allowances. They include overtime payments, bonuses and gratuities, and family and other allowances made by employers. Ex gratia payments in kind, supplementary to normal wage rates, are also included.

D.2.4. Labour cost

7.82. The statistical measure of labour cost corresponds to the concept of wages and other cost incurred by the employer in the employment of labour. Figure 7.4 presents the major components of labour cost as recommended by the 12th ICLS Resolution.[55]

Figure 7.4: Earnings, compensation of employees and major components of labour cost

WAGE RATES	
x	Time worked (or paid for)
=	DIRECT WAGES AND SALARIES
+	Pay for time not worked
+	Premium pay for overtime, late shift and holiday work
+	Bonuses, premiums, etc.
+	Payments in kind
+	Family and other allowances
=	**EARNINGS**
+	Severance and termination pay
+	Value of employers' social contributions
+	Net current social security benefits
=	**COMPENSATION OF EMPLOYEES**
+	Cost of vocational training
+	Cost of welfare services
+	Labour cost not elsewhere classified
+	Taxes regarded as labour cost
=	**LABOUR COST**

Source: *ILO, Resolution concerning statistics of labour cost, 1966*

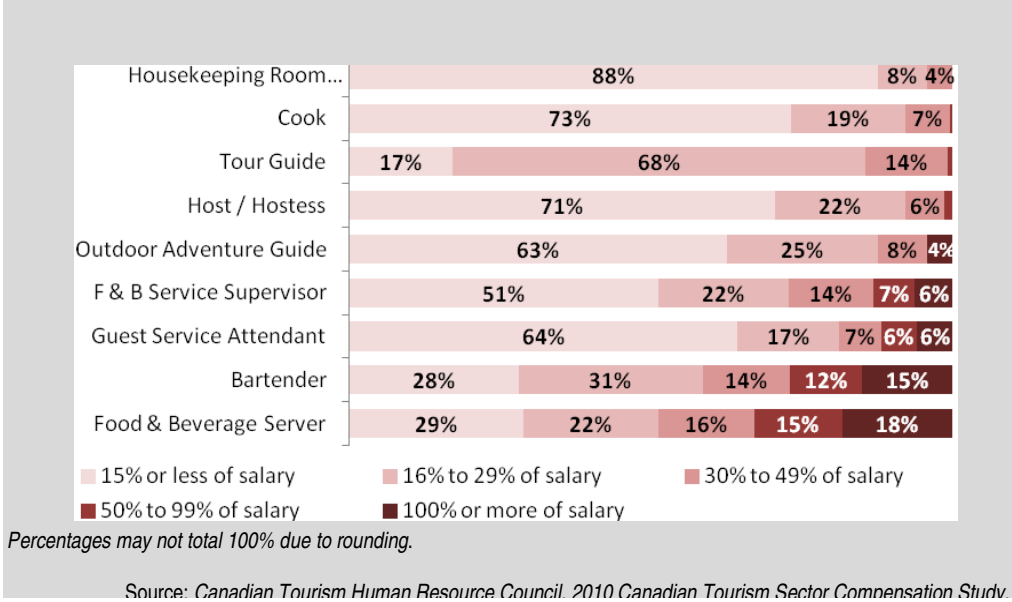
7.83. In addition to a paycheque, non-cash elements of compensation such as training and development, career growth opportunities, organizational effectiveness, and a balanced and engaged lifestyle are important to the workforce. Gratuities can also represent a major source of income for most front line employees in the tourism industries.

[55] ILO (1966), *Resolution concerning statistics of labour cost*

7.84. To sum up, the *compensation of employees* describes the total annual earnings of employees in return for labour, while *labour cost* stipulates the total cost for the employer related to the utilisation of labour.

7.85. Currently very few countries are in a position to measure earnings and compensation of employees, and cost of labour in tourism industries. Notably, Canada, Portugal and Spain have developed this capacity. **Error! Not a valid bookmark self-reference.**, Figure 7.6 and Table 7.4 illustrate the practical application of these concepts.[56]

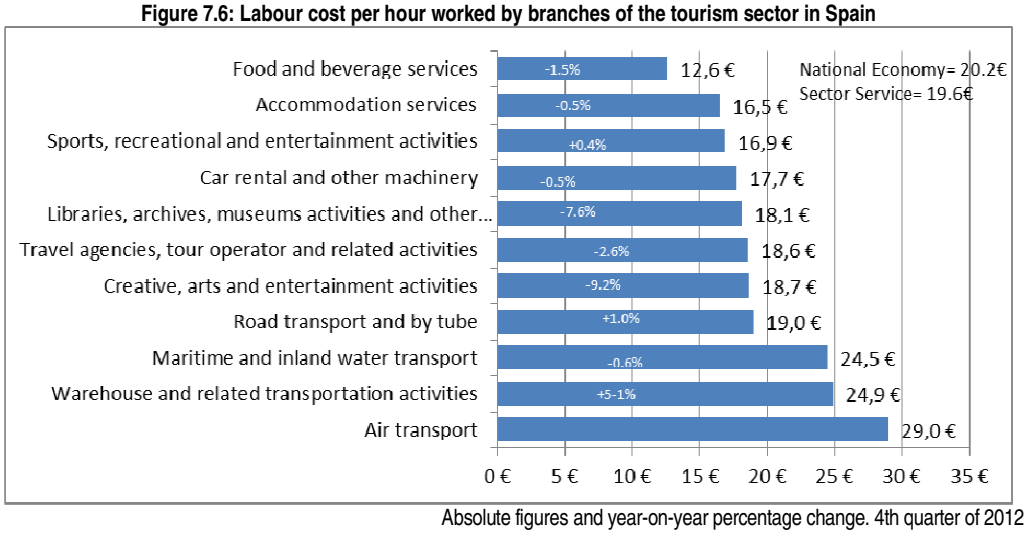
Figure 7.5: Average Gratuities Earned (% of Base Salary) by selected occupations



Percentages may not total 100% due to rounding.

Source: *Canadian Tourism Human Resource Council, 2010 Canadian Tourism Sector Compensation Study*

Figure 7.6: Labour cost per hour worked by branches of the tourism sector in Spain



Absolute figures and year-on-year percentage change. 4th quarter of 2012
Source: *Compilation based on data from the ETCL conducted by INE*

[56] For more examples of measuring labour cost and its components see ILO and UNWTO (2014).

Table 7.4: Annual compensation and hourly compensation in tourism industries and total economy, 2007 to 2012

	2007	2008	2009	2010	2011	2012	% change
Annual compensation in Canada for all	(millions of current dollars)						%
Total tourism industries	44,710	46,805	45,738	47,527	49,517	51,328	1.0
percent change	5.4	4.7	-2.3	3.9	4.2	3.7	...
Total economy[1]	835,905	871,615	868,621	896,290	936,303	973,547	4.0
percent change[2]	..	4.3	-0.3	3.2	4.5	4.0	...
Ratio of tourism to total economy	0.053	0.054	0.053	0.053	0.053	0.053	...
Hourly compensation in Canada per job[3,4] jobs	(current dollars)						
Transportation	28.73	28.67	29.77	28.56	29.29	29.88	2.0
Air transportation	37.79	39.53	41.85	39.50	39.92	39.48	-1.1
Other transportation	26.34	26.01	27.00	25.92	26.69	27.38	2.6
Accommodation	17.65	18.08	18.63	19.43	19.69	20.19	2.6
Food and beverage services	12.84	13.60	14.16	14.96	15.29	15.36	0.5
Recreation and Entertainment	21.65	21.95	22.43	23.52	24.56	25.16	2.4
Travel services	21.72	22.16	21.84	22.69	23.41	23.11	-1.3
Employee	17.81	18.43	19.02	19.59	20.04	20.25	1.0
of which: wages	15.91	16.44	16.83	17.40	17.79	17.97	1.0
Self-employed[4]	16.50	16.50	16.54	17.12	17.82	18.18	2.0
Ratio self-employed to employee	0.926	0.896	0.870	0.874	0.889	0.898	...
Full-time	18.76	19.38	19.90	20.61	21.11	21.30	0.9
Part-time	13.59	13.99	14.72	15.00	15.49	15.62	0.8
Ratio part-time to full-time	0.725	0.722	0.739	0.728	0.734	0.733	...
Total tourism industries[3,4]	17.70	18.26	18.81	19.38	19.88	20.10	1.1
percent change	2.8	3.2	3.0	3.0	2.5	1.1	...
Total economy[1]	28.10	28.97	29.90	30.29	31.17	31.86	2.2
percent change[2]	...	3.0	3.3	1.3	2.9	2.2	...
Ratio of tourism sector to total	0.630	0.631	0.629	0.640	0.638	0.631	...
Employee	29.12	29.89	30.91	31.23	32.11	32.83	2.2
of which: wages	25.48	26.20	26.81	27.07	27.86	28.20	2.2
Self-employed	18.60	19.63	20.22	20.94	21.49	21.61	0.6
Ratio self-employed to employee	0.639	0.657	0.654	0.670	0.669	0.658	...
Full-time	28.25	29.08	30.06	30.39	31.23	31.87	2.0
Part-time	26.87	27.81	28.62	29.52	30.70	31.77	3.5
Ratio part-time to full-time	0.951	0.956	0.952	0.972	0.9583	0.997	...

Source: *Statistics Canada, Excerpt from Martin, T., Human Resource Module of the TSA, 2012, Table 2 (2013: 16)*

[1] Statistics Canada, CANSIM, Table 383-0031.
[2] Not available for reference year 2007 due to the historical revision of the Canadian System of National Accounts.
[3] Hourly compensation includes wages and salaries, supplementary labour income and the labour portion of mixed income after expenses accruing to the self-employed.
[4] Excludes supplementary labour income from the labour portion of mixed income for the self-employed.

D.2.5. Mixed income of self-employed persons

7.86. The remuneration of the self-employed is treated as mixed income. It is defined as the income which is received, over a given reference period, by individuals, for themselves or in respect of their family members, as a result of their current or former involvement in self-employment jobs.[57]

7.87. For purposes of measurement of income related to self-employment, the self-employed are primarily the sole owners, or joint owners, of the unincorporated household enterprises in which they work, according to the definition contained in the System of National Accounts; they may also include the owner-managers of corporations and quasi-corporations (*SNA 2008, 7.9*).

7.88. Gross income related to self-employment consists of:

(a) the profit (or the share of profit) which is generated by the self-employment activity;

(b) where relevant, the remuneration received by owner-managers of corporations and quasi-corporations; and

(c) the amount of employment-related social security benefits received by self-employed persons through schemes recognizing the status in employment as a specific condition for membership.

E. Data sources for measuring employment

7.89. Tourism activity is a complex, demand driven phenomenon. The tourism sector, as defined by the *IRTS 2008*, reflects this complexity by classifying a comprehensive but fragmented set of industries to tourism. This complexity poses challenges for many domains within official statistics as it requires a fine level of disaggregation of activity, often with more details than usually produced. Traditional Labour Force Surveys, for example, may not be able to provide the level of detail required to estimate employment for all detailed tourism industries even at a national level.

7.90. There are the following three major groups of primary data sources in labour statistics[58]:

i. *Household-level data* (measuring labour supply): Population censuses and household-based sample surveys.

ii. *Establishment-level data* (measuring labour demand): Establishment censuses and establishment-based sample surveys.

iii. *Administrative records*, such as: employment office registers; social security files; unemployment insurance records; labour inspection records; tax records, etc.

[57] For more ample information, see (ILO 1998), *Resolution concerning the measurement of employment-related income*.

[58] For more detailed information on data sources used by countries for measuring various dimensions of employment in the tourism industries see: ILO and UNWTO (2008), *Sources and Methods: Labour Statistics. Employment in the tourism industries* and ILO and UNWTO (2014), *Technical Guide on Best Practices of Measuring Employment in the Tourism Industries*.

As mentioned in *IRTS 2008, 6.8* "establishments" usually provide data that are more suitable for analyses of production. However, information collect via enterprise-based survey (and thus data on enterprises) should not be ignored in particular if information on establishments is not available. In general, the recommendations for establishment-based sample surveys (Section E.3 of this chapter) can also be applied to enterprise-based surveys.

E.1. Population Census

7.91. A population census is the total process of collecting, compiling, evaluating, analysing and publishing or otherwise disseminating demographic, economic and social data pertaining, at a specified time, to all persons in a country or in a well delimited part of a country.

7.92. In addition to investigating such topics as household demographic characteristics, social characteristics and educational characteristics, population censuses also collect data on the following economic characteristic of the population: activity status, occupation, industry, status in employment and, in addition, may be specially designed to capture time worked, income, employment in the informal sector and the like. Census is also a source for information on previous job, if unemployed or out of the labour force at the time of the observation. This is useful for analyses of persons who formerly had a job in the tourism sector. Further, it is a source of valuable information on an individual's nationality, ethnicity and immigration status, where appropriate.

7.93. It should be noted that in the case of tourism, the census information on the economic characteristics of the population classified by occupation, industry, status in employment and educational level is of particular usefulness and importance. The population census is one of the best, if not the best, source of complete and detailed data on occupations cross-classified by type of economic activity (industry) and level of education, covering the total population.

7.94. Given that, countries are encouraged to use counts from their population censuses in combination with data from other sources to produce tables on employment in the tourism industries classified by a full range of the economic characteristics mentioned above.

E.2. Household-based sample surveys

7.95. Household sample surveys are among the most flexible methods of data collection. In theory almost any population-based subject can be investigated through household surveys. In sample surveys part of the population is selected from which observations are made or data are collected and then inferences are made to the whole population. Because in sample surveys there are smaller workloads for interviewers and a longer time period assigned to data collection, most subject matters can be covered in greater detail than in censuses. [59]

7.96. The following types of household-based surveys are conducted in countries to collect data measuring/evaluating various dimensions of employment in the tourism industries (the list is not exhaustive): Labour Force Survey, Household Income and Expenditure Survey, Annual Population Survey (United Kingdom), European Union Statistics on Income and Living Conditions (conducted annually in EU member States), and others; usually data collected are used in combination with other sources.

[59] For further information see also UN Statistics Division, *Designing Household Survey Samples: Practical Guidelines*

7.97. Labour Force Survey (LFS) is the main instrument of data collection on employment, underemployment and unemployment; it permits the collection of consistent and comprehensive information both for employees and for the self-employed population.

7.98. Moreover, other than the Population Census, an LFS represents the only comprehensive source of information about all aspects of the labour market*, covering the whole population*, in which each person can be assigned a definite status of being employed or unemployed or not in the labour force. *An LFS counts each person as an individual only once* and thus avoids overlap, irrespective of the number of jobs he/she may be holding and establishment or enterprises he/she may be working for (see an example in Annex 3).

7.99. Furthermore, usually the concepts and definitions of the LFS are based on the ILO international recommendations, which can be used as a yardstick for international comparisons on this topic.

E.3. Establishment-based sample surveys

7.100. There are a large variety of establishment surveys, each designed to obtain specific information such as production; export; employment, average earnings and hours of work; occupational employment and wage structure; labour cost; job vacancies, hiring and firing practices; skill level; future employment prospects; employment in the informal sector, etc.

7.101. An establishment survey is designed to *provide industry information* on structure of employment, average weekly hours, average hourly earnings, and average weekly earnings, and on the distribution of employees by levels of earnings and hours; level and composition of labour cost; vacancies; labour turnover; occupations and occupational wages; skills and training needs. The corresponding employment data collected in establishment surveys are sometimes disaggregated by sex.

7.102. As an establishment survey is a sample survey, the reliability and completeness of its results is fully dependent on the completeness and efficient updating of the country's business register[60].

7.103. Tourism statistics uses the following types of establishment-based surveys to produce tables with multiple data on employment in the tourism industries, which are usually used in combination with data collected from other sources (the list is not exhaustive): Labour Cost Survey; Employment, Earnings and Hours of Work Survey; Workforce Jobs Survey, as part of the Short-Term Employment Surveys (United Kingdom); Business Register and Employment Survey (United Kingdom); Annual Business Inquiry (United Kingdom); Business Register Survey (United Kingdom); Workforce Jobs Survey (United kingdom); Annual Survey of Hours and Earnings (United Kingdom); Labour Situation Survey (Spain), and others. As an example see Annex 4.

[60] A business register is a list of the enterprises and/or establishments in a country, with identification number for each unit. It includes at least information about the unit's size, type of activity, and activity status, as well as extensive contact information.

E.4. Administrative records

7.104. *Administrative data* are produced as a by-product of the administrative functions of a government agency.

7.105. Hence, an administrative system does not exist for the purpose of producing statistics. It is meant to implement the administrative functions of the agency, often in response to legislative requirements or specifications. However, an administrative system can provide a rich data source which should be fully exploited.

7.106. Notably, administrative and similar large datasets have a number of advantages over other types of data sources, namely: they are already well established and in many cases, may be sufficiently large to provide robust, sub-national data. However, as mentioned above, these administrative data sources are not typically designed to align with statistical concepts of, e.g. tourism. Consequently, they usually require extensive work in order to derive usable statistical information.

7.107. In the case of employment in the tourism industries, countries are encouraged to fully investigate and use the following types of administrative records: Business Register (or business demography) maintained by a NSO; Revenue record file; Social protection or Social security record file; Income tax individual records; Statistical Register of Employment; Central Register of tour operators and travel agencies, and others.

7.108. Delaney and MacFeely (2013) produced a pioneering study which contains many useful and informative tables with figures on numerous dimensions of employment in the tourism industries produced on the bases of administrative and similar data sets.

E.5. Advantages and disadvantages of the statistical data sources described

E.5.1. Household-based surveys vs. establishment-based surveys

7.109. The household-based and establishment-based data complement one another, each providing significant types of information that the other cannot suitably supply. Current population characteristics, for example, are obtained either from the household-based surveys, whereas detailed industrial classifications are much more reliably derived from establishment reports.

7.110. Data from these two sources differ from each other because of variations in definitions and coverage, source of information, methods of collection, and estimating procedures. Sampling variability and response errors are additional reasons for discrepancies.

7.111. The major factors which have a differential effect on the levels and trends of employment statistics collected from the two sources are as follows (the differences described are not exhaustive).

7.112. *Coverage*. Generally, the household-based survey definition of employment comprises paid workers (including domestics and other private household workers), self-employed persons, and contributing unpaid family workers who worked at least one hour or more during the reference period. Employment in both agricultural and non-agricultural industries is included. The establishment-based survey covers employees on the payrolls of establishments. In some countries farms are explicitly excluded from these surveys. This should be taken into account when interpreting the survey results.

7.113. *Multiple jobholding*. The household survey provides information on the work status of the population without duplication, since each person is classified as employed, unemployed, or not in the labour force. Employed persons holding more than one job are counted only once. In the figures based on establishment reports, persons who worked in more than one establishment during the reporting period are counted each time their names appear on payrolls

7.114. *Earnings*. The household survey measures the earnings of paid workers in all occupations and industries in both the private and public sectors. Data refer to the usual earnings received from the worker's sole or primary job. Data from the establishment survey generally refer to average earnings of employees on the payrolls of establishments. This has also the advantage that the average earning can be weighted by the number of employees.

7.115. *Working hours*. The household survey measures hours worked for all workers, whereas the establishment survey measures hours for private production and non-supervisory workers paid for by employers. In the household survey, all persons with a job but not at work are excluded from the hours distribution and the computations of average hours at work. In the establishment survey, production or non-supervisory employees on paid vacation, paid holiday, or paid sick leave are included and assigned the number of hours for which they were paid during the reporting period.

7.116. The LFS covers hours worked by employees and self-employed persons. However, the LFS only estimates the employment within the borders of a given country and does not usually capture for example cross border workers or foreign seasonally workers. These two categories of workers may be found among persons employed in establishments of tourism industries.[61]

E.5.2. Population Census vs. household-based surveys

7.117. Population Census information on the economic characteristics of the population focuses on enumerating the economically active population so as to provide benchmark data for current studies of employment, unemployment and underemployment.

7.118. Census data provide information on the economic characteristics of the population from the highest to lowest geographical levels of aggregation and classified by sex, age, industry, occupation and educational attainment.

7.119. Furthermore, the data collected from the Population Census is used in conjunction with other statistical sources of data collection on the labour force and other economic characteristics.

7.120. At the same time, the number of questions used in a Population Census to investigate the various items has to be limited. Often a single question is used per item (activity status, occupation, industry, status in employment, working time, income, sector of employment and place of work)

[61] Notably, there may be countries where an LFS captures this category of workers. Thus in Canada, the LFS captures most of the temporary immigrants (foreign seasonal workers). For example, Mexicans, Jamaicans and others come to work on farms in Canada and stay temporarily on the farms. Farmers included on the survey have to report these migrant workers as part of their household.

7.121. In contrast, the household-based sample surveys, by virtue of their smaller size, can use more than one question for each item, allowing more precise measurement of a wider variety of data for different kinds of analyses. Furthermore, the concepts and definitions of the LFS are based on the ILO international recommendations, which can be used as a yardstick for international comparisons on this topic.

7.122. Other differences include:

- Scale of the operations involved (complete enumeration versus sampling).
- Methodology, practical conditions of implementation, timing and complexity of the data collected.
- An LFS can be tailored more flexibly to fit a variety of user needs and methods of data collection.
- Owing to the limited size of the samples - inability to provide sufficient detail for small areas or sub-groups in the population.

E.6. Integration of information on tourism employment

7.123. As has already been mentioned in earlier sections, it is hardly feasible to comprehensively gauge and analyse employment in tourism industries on the basis of only one statistical source. Given that, the integration of data from different sources is a preferable solution. This approach yields more comprehensive information, provides a better overview and a more consistent picture, and results in a more accurate analysis (*IRTS 2008, 7.34.*).

7.124. The following box is an example how tourism employment is measured by applying tourism ratios from the Tourism Satellite Account.

Box 7.14: Country example – Measuring tourism employment by applying tourism ratios: Austria

In Austria the measurement of employment in tourism is based on the concepts of TSA (*TSA:RMF 2008. Table 7*) and provides a more comprehensive picture of the tourism industry's impact on the labour market, based on the defined "tourism industries". This entails defining tourism from the activity-classification point of view, including industries that offer products and services to visitors, but also to non-visitors, since e.g. also local residents contribute to these "tourism industries". In particular in tourism extensive regions the selected "tourism industries" can also provide products and services to non-visitors and the ratio of "tourism demand" might range between nearly 0% and 100%.

Receiving a more comprehensive picture of the inter-linkages between tourism supply and demand, the demand side has to be integrated, therefore. This is done by applying the respective "tourism ratios" based on *TSA:RMF 2008, Table 6* to the respective "tourism industry". On this account only a certain share of the total employment in the "tourism industries" can be attributed to tourism ("tourism ratio").

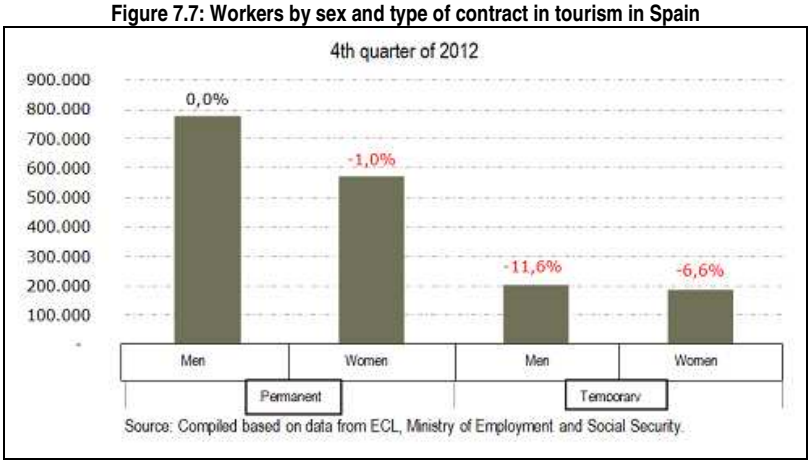
However, for the data user it has to be clarified, that due to the integration of the demand side and the application of tourism ratios, a certain inconsistency with other employment figures from administrative data sources occurs: The results from the *TSA:RMF 2008, Table 7* cannot be directly compared with figures from the social insurance carriers, results from the labour force survey or from business statistics, for instance.

Source: *Laimer and Öhlböck, Beschäftigung im Tourismus (Employment in Tourism), 2007*

7.125. The remaining part of this section illustrates examples of derived measures of some special aspects of employment in the tourism industries produced by countries with advanced national systems of tourism statistics, see also ILO and UNWTO (2014).

7.126. Spain collects data and prepares tables and charts on employment in tourism industries by type of contract, see Figure 7.7. The Canadian Tourism Labour Market Information System carries information that permits profiling persons employed in Canadian tourism industries by a number of demographic characteristics, such as school attendance, mother tongue, place of birth, equity groups (see Table 7.5.). For example, workers in the Canadian tourism work force in 2006, compared to workers in the overall Canadian work force were slightly more likely to be members of visible minorities.[62]

Figure 7.7: Workers by sex and type of contract in tourism in Spain



7.127. Canada and Spain publish unemployment data. The same analytical approach is applied to monthly and annual LFS data to reveal the monthly and average annual unemployment levels and rates for the tourism industries[63] compared with employed workers in the overall economy. To determine unemployment rates, industry classifications (NAICS) at the 4-digit level are based on the most recent job held within the past year, and are self-identified by the respondent. Examples of questions to be used to identify tourism unemployment are given in Annex 3, questions 61 - 63.

7.128. In a pioneering work the Canadian Tourism Human Resource Council based on the LFS as the primary source of information asked questions on union membership and coverage by collective agreements in tourism industries.

[62] Meis (2013), *Measuring Employment in the Tourism Industries Beyond the Tourism Satellite Account: A Case Study of Canada*

[63] As defined by the Canadian Tourism Satellite Account, the NAICS industries included in tourism sector as Canadian tourism industries include those that would cease or continue to exist only at a significantly reduced level of activity as a direct result of an absence of tourism.

Table 7.5: Demographic characteristics of persons employed in tourism industries

	CANADA	TOURISM SECTOR	Accommodation	Food & Beverage Services	Recreation & Entertainment	Transportation	Travel Services
Total Employment	**16,021,180**	**1,656,940**	**184,835**	**793,380**	**358,980**	**271,500**	**48,245**
Sex							
Female	47.4%	**52.3%**	61.4%	59.6%	47.2%	28.1%	70.5%
Male	52.6%	**47.7%**	38.6%	40.4%	52.8%	71.9%	29.5%
AGE							
15-24 years old	15.0%	**32.8%**	22.8%	48.1%	27.3%	5.4%	11.8%
25-34 years old	19.9%	**18.5%**	19.9%	17.8%	20.7%	15.5%	24.6%
35-44 years old	24.6%	**18.6%**	20.2%	14.8%	19.8%	25.5%	25.1%
45 years and older	40.5%	**30.2%**	37.1%	19.2%	32.2%	53.6%	38.5%
PLACE OF BIRTH							
Born in Canada	77.9%	**76.3%**	73.9%	74.8%	83.4%	74.7%	66.4%
Born outside of Canada	22.1%	**23.7%**	26.1%	25.2%	16.6%	25.3%	33.6%
MOTHER TONGUE							
English	58.0%	**58.7%**	58.3%	56.1%	66.7%	57.0%	54.9%
French	21.9%	**19.1%**	18.5%	18.7%	19.9%	20.3%	15.5%
Other Language	20.1%	**22.1%**	23.2%	25.2%	13.4%	22.7%	29.5%
EQUITY GROUPS							
Visible minorities	15.1%	**18.8%**	19.0%	22.7%	10.9%	17.4%	22.9%
Aboriginal Peoples	2.8%	**3.2%**	4.7%	3.1%	3.3%	2.8%	1.4%
Disabled persons	11.8%	**11.5%**	13.1%	10.3%	11.4%	14.0%	11.2%
SCHOOL ATTENDANCE (in 2005-2006)							
Attending school	16.7%	**28.4%**	20.3%	38.6%	27.1%	8.6%	13.8%
Not attending school	83.3%	**71.6%**	79.7%	61.4%	72.9%	91.4%	86.2%
EDUCATION LEVELS							
No certificate, diploma or degree	14.5%	**23.3%**	20.6%	31.9%	15.1%	14.2%	4.2%
High school or equivalent	26.1%	**34.6%**	32.9%	38.8%	30.0%	31.9%	21.6%
Apprenticeship/trades/ College/CEGEP certificate / diploma	32.4%	**25.9%**	30.2%	19.2%	27.1%	37.7%	44.9%
University below degree	4.8%	**3.9%**	4.5%	2.8%	5.0%	4.4%	7.5%
University certificate or degree	22.3%	**12.3%**	11.8%	7.2%	22.7%	11.9%	21.8%

Source: *Canadian Tourism Human Resource Council, Who's Working for You? A Demographic Profile of Tourism Sector Employees, 2012*

F. Methods for collecting data on specific issues related to employment

F.1. Methods of data collection

7.129. Statistics of working time can be collected through statistical censuses and surveys of households and establishments, and through access to administrative registers.

7.130. When possible and pertinent, the use of a combination of data sources may be preferable to meet user requirements (such as coverage, scope, response rates, sample size, response burden and costs) and to evaluate the quality of statistics obtained.

7.131. To ensure greater coherence for analytical purposes, working time statistics should be collected for the same reference period and for the same disaggregation or groups of jobs as the statistics collected for employment, wages and labour costs, etc.

7.132. *Household-based surveys* are well suited to collect data:

(a) On hours actually worked and hours usually worked, on formalized working-time arrangements and the characteristics of arrangements. They may also produce statistics on hours paid for, normal or contractual hours;

(b) For all persons working and all jobs, including in informal employment and household service and volunteer work;

(c) For a short reference period such as a day or a week and when the survey is continuous; for a long reference period such as a month or a year;

(d) For persons individually and for the economy as a whole.

7.133. *Establishment-based surveys* are well suited to collect data:

(a) On hours paid for, contractual hours, paid overtime hours and absence from work hours usually recorded to monitor entitlements to leave, and on formalized working-time arrangements. They may also produce statistics on normal hours of work or hours actually worked;

(b) For all or a subset of paid-employment jobs in the establishment, or all or a subset of establishments;

(c) For a reference period, such as a week, month, year or pay period;

(d) For jobs individually, as averages for groups of jobs or for the establishment as a whole.

7.134. The importance of this variable is demonstrated by its measurement in the Labour Force Survey of Lithuania, where 16 questions are asked to collect data on various concepts of working time (see Annex 3, questions 13 - 16, 24, 38 - 46).

F.2. Collecting information on working time arrangements, informal employment and employment in the informal sector

7.135. Existing surveys of the economically active population and similar household surveys provide a useful and economical means of collecting data on employment in the informal sector in terms of the number and characteristics of the persons concerned and the conditions of their employment and work. Usually such survey can cover all information with regard to the related aspects of working time arrangements, informal employment and employment in the informal sector.[64]

7.136. It may be possible to collect data on informal sector units through various kinds of establishment surveys depending on the measurement objectives, the intended uses of the data, the calendar and structure of the national statistical system, and the availability of sampling frames and resources.

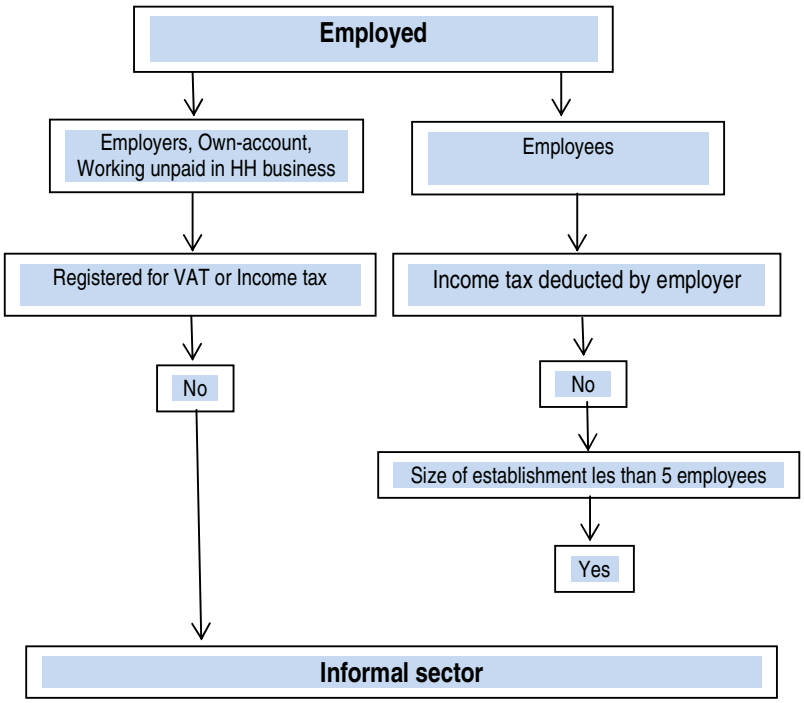
[64] For a comprehensive description of concepts, definitions and methods of data collection on employment in the informal sectors see ILO (2012b), *Measuring informality: a Statistical Manual on the informal sector and informal employment.*

7.137. As a general approach the following should be kept in mind:

- Use labour force survey, when objective is to monitor *informal sector employment in tourism industries*: number and characteristics of persons involved, conditions of employment and work. Periodicity: annual or more frequent (if possible).
- Use informal sector survey (enterprise-based surveys) or mixed household enterprise surveys, when objective is to measure *number and characteristics of informal sector enterprises in tourism industries*: employment, production, income generation, organisation & functioning, constraints & potentials, etc. Periodicity: every 5 years (if possible).

7.138. By way of illustration Figure 7.8 below shows a two-track approach to identifying persons employed in informal sector enterprise/establishment and Box 7.15 show questions from a household survey.

Figure 7.8: A two-track approach to identifying persons employed in informal sector enterprises/establishments (Quarterly Labour Force Survey of South Africa)



Source: *Adapted from the LFS South of Africa, Statistical Office of South Africa, Pretoria 2007.*

Box 7.15: Measuring informal employment

The best source for measuring informal employment is a household-based survey which has the following types of questions:

17. What is the duration of your contract or agreement?
- Daily contracts/agreements……...1
- Less than 1 month…….....2
- 1 to 2 months……..……3
- 3 to 6 months……..……4
- 7 to 12 months…….....5
- More than 12 months…….....6
- I don't know……..…….....7

18. Does your employer pay social contributions for you (pension fund and unemployment fund)?
- Yes, sure…….....1
- Possibly…….....2
- No…….....3
- I don't know……..……4

19. Do you benefit from paid annual leave or compensation for unused leave?
- Yes……..…….....1
- No…….....2
- I don't know……..…….....3

20. Would you benefit from paid sick leave in case of illness?
- Yes……..……..…….1
- No……..2
- I don't know……..……3

Employees are considered to have informal jobs if the answer to any of the questions 18, 19 or 20 is "No".

Source: *Adapted from the Labour Force Survey Questionnaire of the Republic of Moldova*

F.3. Collecting information on occupations

7.139. For accurate coding to any level of ISCO-08 (as describe in Section D.1.1 of this chapter) and related national classifications, information is needed on the following:

a. Name and title of occupation
b. Main tasks and duties usually performed in the job.

7.140. The following questions (Box 7.16) are suggested as a starting point in the development of a national approach towards the collection of occupation data (also see Annex 4 Australian Survey of Employees Earnings and Hours, Questions 5 and 6).

Box 7.16: Question on occupation data

a. In the main job held last week what was your work or occupation?
Please give full job title and be specific. For example:
- Butler (ISCO-08, 912)
- Hotel manager (ISCO-08, 141)
- Youth hostel manager (ISCO-06, 141)
- Fast-food cook (ISCO-08, 9411)
- Executive chief (ISCO-08, 112)
- Saucier (ISCO-08, 912)

Occupation _____

b. What are your main tasks or duties in the job?
Please give details. For example:
- Taking care of household pets and plants, receiving visitors, answering telephones, delivering messages and shopping for groceries
- Directing and overseeing reservation, reception, room service and housekeeping activities;
- Assessing and reviewing customer satisfaction
- Preparing simple or pre-prepared foods and beverages such as sandwiches, hamburgers, pizzas, fish and fish and chips, salads, and coffee
- Planning and developing recipes and menus, estimating food and labour costs, and ordering food supplies
- Preparing, seasoning and cooking speciality foods and complex dishes

Main tasks or duties _____

F.4. Collecting information on status in employment

7.141. With regard to the International Classification of Status in Employment (ICSE-93), introduced in Section D.1.3 of this chapter, different types of *paid employment* jobs may be distinguished according to the duration of the contract and the type of security against its termination. This is particularly relevant in the case of tourism characteristic activities in which seasonality is high with marked peaks and lows: It is recommended to distinguish *employees with stable contracts* from other 'employees' as a function of the extent to which they have had a contract on a continuous basis, or a series of contracts, with the same 'employer'. It is also recommended to distinguish *regular employees* from other '*employees with stable contracts*' on the basis of the extent to which these contracts oblige the 'employer' to pay regular social security contributions and/or are subject to national labour legislation. By way of illustration, examples are given Annex 3, question 17, questions 24 - 27.

7.142. In the case of *self-employment*, different types of jobs are distinguished according to the type of authority they have over the productive unit which they represent or for which they work: *Employers* engage on a continuous basis one or more persons to work for them as 'employees'. *Own-account workers* have the same authority over the economic unit as the 'employers', but do not engage 'employees' on a continuous basis. *Members of producer cooperatives* take part on equal footing with other members in determining the organization of production etc. *Contributing family workers* cannot be regarded as partners in the operation of the productive unit because of their degree of commitment to the operation of the unit, in terms of working time or other factors, is not at a level comparable to that of the head of the enterprise.

7.143. The main categories of ICSE-93 have been designed so that they *are mutually exclusive and exhaustive* of all types of employment contracts, and the rules of application have to be such that to each unit for which the variable can be observed it will be possible to assign only one of these values. The structure of ICSE-93 is therefore flat.

7.144. In reality, however, a number of situations may not easily fit into one category. ICSE-93 provides a listing of special *sub-categories* which may be important in particular countries and which can be regarded as ambiguous with respect to the basic distinction between *paid employment* and *self-employment*, either on the basis of the terms of the contract or from an analytical perspective. These special categories either form part of one of the main categories or represent borderline situations between two or more of these. Important among the latter are the *owner-managers of incorporated enterprises* who from a contract perspective are 'employees' but from a authority perspective can be seen as 'employers'; and *contractors, outworkers (homeworkers)* and *franchisees* who from a contract perspective are 'self-employed' but from an authority perspective frequently may be seen as in a situation similar to 'employees'. Important among the former are *casual workers and seasonal workers*.

F.5. Collecting information on remuneration

7.145. To analyse the monetary aspects of labour (compensation of employees, labour cost, mixed income, see Sections D.2.3 - D.2.5 of this chapter) the unit for which data are collected should be the establishment, where possible, rather than the enterprise or firm, so far as the accounting system used enables a multi-establishment enterprise to supply data for each establishment.

7.146. The observation period in comprehensive labour cost surveys should cover the 12 months of the calendar year, whenever possible, otherwise the usual accounting year, to take account of expenditures which occur only annually or irregularly.

7.147. For each economic activity covered by the national programme of labour cost surveys, it is desirable that data should be collected at intervals not exceeding five years. Until such time as major changes occur in labour cost components, due to changes in social legislation or other causes, data for the years intervening between two surveys could be estimated wherever suitable data on earnings and other elements of labour cost are available. Special investigations of limited scope during the interim period may provide a satisfactory basis for estimates of certain components of labour cost.

7.148. In addition, countries may conduct special establishment-based surveys or studies to collect industry-specific data on wages or compensation of employees, such as *Canadian Tourism Sector Compensation Study*. Another possibility may be the use of integrated/combined data sets such as SNA (see Section E.2.).

7.149. In view of the heterogeneity of the self-employed population and the complexity of measurement of net income of unincorporated enterprises, the measurement of income related to self-employment (*mixed income*) should be phased into national programmes of statistics over an extended period of time.

7.150. The choice of an accounting technique to measure income related to self-employment should take into account the circumstances in which the self-employed operate their business and the measurement objective. Two major techniques can be used:

a. Accruals accounting, which measures the profit earned during the reference period, by taking into account receipts and expenses relevant to that period, irrespective of whether or not they have actually been received or defrayed; and

b. The cash-flow technique, which measures actual cash received (including the value of production for own use) and paid out (including the value of production given out free or at reduced prices) during the reference period.

7.151. Two basic observation units are relevant to the measurement of income related to self-employment, depending on the objective pursued: the job and the individual person.

7.152. For the measurement of the income-generating capacity of different economic activities, the *job* is the basic entity on which information is to be collected and analysed.

7.153. When the objective is the analysis of the employment-related well-being of the population concerned, the desirable unit is the individual person. The *individual* is also relevant when analysing the relationship between employment-related income and educational achievements, seniority in employment, work duration, etc.

7.154. The collection of data on income related to self-employment should be based on the regular national statistical programmes, using all available sources, including SNA.

7.155. One such source could be general or specialized household surveys, with individual household members as observation units.

7.156. Other sources of data include establishment surveys, administrative records (such as income tax and social security records), surveys of small economic units and population censuses.

Chapter 8. Supplementary and cross-cutting topics

This chapter covers a number of cross-cutting topics that are relevant for the organization of the statistical process resulting in official tourism statistics. More specifically, it adapts these elements to focus on the development a national System of Tourism Statistics. It consists of four sections dealing with quality management and quality reporting (Section A), metadata (Section B), dissemination of data and metadata (Section C) and institutional arrangements (Section D). Concepts and good practices described in this chapter reflect the recommendations included in IRTS 2008, as well as more recent recommendations of the UN Statistical Commission on these topics, and also experiences in countries.

A. Quality management and quality reporting

8.1. To ensure the quality of the data that are provided, to produce metadata and to disseminate them are an intrinsic part of any process of producing statistics. They have to be implemented gradually once a regular process of generation of statistics has been set up. It is recognized that countries with less advanced statistical systems may find it difficult to immediately implement all or most of the concepts and good practices promoted in this chapter. In this connection, countries are advised to adopt a phased approach to the implementation of the recommendations that follow and focus first on the concepts and good practices which are most relevant and feasible under the country's specific circumstances. A more comprehensive implementation can be seen as a longer term objective in the context of strengthening national Systems of Tourism Statistics.

A.1. Quality management: an overview of basic concepts and definitions

8.2. The concept of quality of tourism statistics and a description of quality dimensions are introduced in *IRTS 2008, Chapter 9, Section A* and reflects the common approach adopted by the statistical community. This approach is based on the definition of quality as "fitness for use" (*IRTS 2008, 9.2*). *IRTS 2008* provides a description of the prerequisites of quality and recommended the following dimensions of quality: relevance, credibility, accuracy, timeliness, methodological soundness, coherence, and accessibility. The compilers and users of tourism statistics should refer to *IRTS 2008* for definitions of these dimensions.

8.3. After the publication of *IRTS 2008* the UN Statistical Commission continued its work on issues relevant to quality measurement and management. In particular, the Commission endorsed the *National quality assurance framework* (NQAF) and the *Guidelines on Integrated Economic Statistics*. NQAF and the Guidelines are seen by the Commission as applicable in all areas of official statistics. NQAF comprises all quality dimensions recommended for tourism statistics in IRTS 2008. It also emphasizes the importance of such dimensions as reliability, punctuality, clarity, interpretability, comparability, integrity and serviceability. It should be noted that most of these dimensions of quality were treated as components of the dimensions listed in IRTS 2008. The compilers of tourism statistics are encouraged to familiarize themselves with the definitions of quality dimensions available in the NQAF Glossary and apply them in practice. This will ensure better cross-country and cross-domain comparability of the quality assessment of tourism statistics. As an example, two very important quality dimensions for tourism statistics such as coherence and consistency are defined in Box 8.1 and their relevance to tourism statistics is explained[65].

[65] See also UNWTO (2014), *Coherence and Consistency in Tourism Statistics: An Overview.*

8.4. Quality management should be a top priority of the national body responsible for official tourism statistics. It includes *quality assurance* (activities that can provide confidence that the processes will fulfill the requirements for the statistical output), *quality assessment* (assessment of data quality, based on standard quality criteria) and *quality documentation* (documentation of methods and standards for assessing data quality).

Box 8.1: Coherence, consistency and tourism statistics

Coherence is defined as the adequacy of statistics to be combined in different ways and for various uses. When originating from different sources, and in particular from statistical surveys using different methodology, statistics are often not completely identical, but show differences in results due to different approaches, classifications and methodological standards. There are several areas where the assessment of coherence is regularly conducted: between provisional and final statistics, between annual and short-term statistics, between statistics from the same socio-economic domain, and between survey statistics and national accounts. The concept of coherence is closely related to the concept of ***comparability*** between statistical domains. Both coherence and comparability refer to a data set with respect to another. The difference between the two is that:

- *comparability* refers to comparisons between statistics based on usually unrelated statistical populations while
- *coherence* refers to comparisons between statistics for the same or largely similar populations. Coherence can be generally broken down into "Coherence - cross domain" and "Coherence – internal".

Consistency is defined as logical and numerical coherence. In statistical theory an estimate is called consistent if it converges in probability to its population parameter as sample size increases. Consistency over time, within datasets, and across datasets (often refers to as inter-sectoral consistency) are major aspects of consistency. In each, consistency in a looser sense carries the notion of "at least reconcilable". For example, if two series purporting to cover the same phenomena differ, the differences in time of recording, valuation, and coverage should be identified so that the series can be reconciled. Inconsistency over time refers to changes that lead to breaks in series stemming from, for example, changes in concepts, definitions, and methodology.
More specifically, the following issues are particularly relevant in tourism statistics (see UNWTO, 2014):

- internal coherence and consistency of tourism statistics (a) between different data sets on demand side statistics and (b) between tourism demand and supply statistics;
- external coherence and consistency: (c) integration of tourism statistics in the Tourism Satellite Account (TSA) and thus with the National Accounts and (d) comparison of tourism statistics and the Balance of Payment "travel" and "passenger transport services" items.

The objective common to all these cases is to identify and explain differences, justify and document statistical adjustments. Compilers need to be aware that, in all likelihood, differences will arise and that an important component of improving quality in tourism statistics is precisely the examination of these differences and the ensuing decisions.

8.5. Quality assurance is at the core of quality management and various experiences at national and international levels have been accumulated over the recent years. Regarding, quality assurance of the *process of production*, NQAF identifies four components of quality assurance, which are fully applicable in tourism statistics: (i) assuring methodological soundness, (ii) assuring cost-effectiveness, (iii) assuring soundness of implementation, and (iv) managing the respondent burden. In tourism statistics:

i. *Methodological soundness* is assured by the use of sound statistical methodologies based on internationally agreed standards as those included in IRTS2008 and good practices described in this Guide;

ii. *Cost-effectiveness* is assured by such activities as the implementation of standardized solutions (e.g., with respect to the organization and conduct of various surveys and statistical databases management) that increase effectiveness and efficiency, documentation of the costs of data production at each stage of the statistical process and carrying out cost–benefit analyses to determine the appropriate trade-offs in terms of data quality;

iii. *Assuring soundness of implementation* implies such activities as conducting training programmes for tourism statisticians, building data quality checkpoints and (as appropriate) sign-offs into the production process before proceeding to subsequent stages in the statistical process, documenting all procedures, and consulting with stakeholders, especially users and potential respondents;

iv. *Managing the respondent burden* is merited by awareness of the need to balance the requirement to collect and process the information and the burden placed on respondents. Dealing with this difficult challenge is particularly relevant in connection with the declining response rates in surveys which result in lower quality of data and increases the cost of surveys.

8.6. Regarding, quality assurance of tourism *statistical outputs*, NQAF lists six groups of activities comprising quality assurance of statistical outputs, which are applicable in the context of tourism statistics, namely:

i. *Assuring relevance*. The tourism statistics compilers challenge is to weigh and balance the conflicting needs of current and potential users in order to produce statistics that satisfy the most important and priority needs within given resource constraints. Relevance can be assured, for example, by consulting users about the content of the work programme and establishing an advisory council to consult on overall statistical priorities;

ii. *Assuring accuracy and reliability of outputs* involves, for example, assessing and validating the source data, comparing the obtained data with other existing sources of information, identifying clearly preliminary and revised data, providing explanations about the timing, reasons for and nature of revisions, etc.;

iii. *Assuring timeliness and punctuality* implies, inter alia, a clear definition and dissemination of timeliness targets (and amendments of such targets) for release policy, distinguishing between different kinds of statistical outputs (press releases, specific statistical reports or tables, general publications, etc.) and their corresponding release procedures; establishing the procedures to ensure the effective and timely flow of data from providers; explicit consideration of overall trade-offs between timeliness and other dimensions of quality (e.g. accuracy, cost and respondent burden) during the programme design stage; clear identification of preliminary data so that users are provided with appropriate information for assessing the quality of the preliminary data;

iv. *Assuring accessibility and clarity* includes such activities as the release of tourism statistics with readily accessible and up-to-date metadata, consistent annotation of any differences from IRTS 2008, use of modern information and communication technology for dissemination (e.g. on-line database), enabling users to generate their own tables in the most appropriate formats and consulting users on a regular basis to find out about the formats of dissemination that they most prefer;

v. *Assuring coherence and comparability* implies, for example, cooperation and the exchange of knowledge between individual statistical programmes/domains to ensure that outputs obtained from complementary sources can be properly combined, the clear identification and explanation of breaks in the series and the provision of methods for ensuring necessary data reconciliation[66].

vi. *Managing metadata* encompasses activities that enable the user to understand tourism statistics, including their limitations, for informed decision-making (see Section B).

A.2. Quality measurement and reporting

8.7. Quality management of tourism statistics implies that countries undertake steps to measure quality and report the results of such measurements to all participants of the statistical process and general public. It is a good practice for tourism statistics compilers to base their approach to quality measurement and reporting on the quality assessment frameworks developed by international, supranational and regional organizations.

8.8. Countries are advised to develop a standard for regular tourism statistics quality reports that cover the full range of statistical processes and their outputs and use the quality dimensions listed in this sub-section as its basis. Such reports can be producer-oriented, with the aim of identifying strengths and weaknesses of the statistical process and leading to quality improvement actions, or user-oriented, with the aim of keeping users informed on the methodology of statistical process and the quality of statistical output. Both perspectives are important.

8.9. Countries should assess the strengths and weaknesses in the statistical process (data collection, processing and dissemination) and identify additional activities which might further improve data and metadata quality. Countries should identify quality measures or indicators. For example, the time lag from the end of the reference period to the release of particular tourism statistics dataset is a direct quality measure. An example of an indicator of coherence is the availability of correspondence tables between classifications of tourism characteristic products and activities and national classifications of products and activities. It is a good practice to have a limited but well defined set of indicators per quality dimension, which can be followed over time to ensure that users are provided with a useful summary of overall quality and its evolution. However, to ensure the best possible international comparability of quality assessment of tourism statistics UNWTO will publish a list of suggested measures and indicators in the future.

B. Metadata

B.1. Metadata: an overview of basic concepts and definitions

8.10. In statistics, metadata are data that describe statistical data including data sources and tools that were used (e.g. statistical standards and classifications, business registers and frames, statistical methods, procedures and software), see also ISO/IEC (2004) and UN (2012a). The importance of metadata has been recognized by UNWTO since 2005 with the issuance of the paper "Tourism Statistics Metadata Project – General Guidelines for documenting tourism

[66] See UNWTO (2014), *Coherence and Consistency in Tourism Statistics: An Overview*.

statistics" (UNWTO 2005b). In its Regional Capacity Building Programmes UNWTO has consistently emphasized the importance of documenting existing national statistical processes, with three objectives:

i. to help each country have a good knowledge and evaluate the available data as a necessary step before deciding on setting up new observation processes,

ii. to provide users with information on the available tourism statistics and on the processes by which they have been obtained, and

iii. to generate the information that is required to make international comparisons possible and meaningful.

Box 8.2: The Statistical Data and Metadata Exchange (SDMX) standard

In 2008 the UN Statistical Commission (2008) reviewed concepts and definitions compiled as part of the Statistical Data and Metadata Exchange (SDMX) project and endorsed SDMX as the preferred standard for the exchange and sharing of any statistical data and metadata and encouraged its implementation by national and international statistical organizations. In view of this UN Statistical Commission decision, the description of statistics metadata in general and of tourism statistics metadata in particular provided in this section is based on concepts and definitions found in that standard.

Definitions of many metadata related concepts referred to in this chapter can be found in SDMX content-oriented guidelines, Annex 4: Metadata common vocabulary.

Source: *SDMX web page*

8.11. Metadata play a crucial role in the process of statistical production as they enable and facilitate the setting up of the process of statistical observation. Additionally, they promote the use, sharing, querying and understanding of statistical data over the different stages of collection, compilation and dissemination, and at their various levels of aggregation thus ensuring that common standards and definitions are followed to the extent possible throughout the different stages of the production process in all related statistical domains. In this connection, the UN Statistical Commission advises countries to treat metadata compilation and, subsequently, their dissemination, as an integral part of the statistical process in any field of statistical work and promotes the standardization of compilation and dissemination of metadata. This advice is especially important when several agencies are involved in the process of statistical production, as is normally the case in tourism statistics.

B.2. Main components of metadata

8.12. Metadata consists of structural metadata and reference metadata. Structural metadata are generally understood as metadata that act as identifiers and descriptors of the data without which it becomes impossible to identify, retrieve and navigate comprehensive datasets.

i. ***Structural metadata*** can be thought of as the 'labels or short texts' that need to be associated with each data item in order for that data item to have a meaning;

ii. ***Reference metadata*** are of a more general nature and include (a) "conceptual" metadata, describing the concepts used and their practical implementation, allowing users to understand what the statistics are measuring and, thus, their fitness for use; (b) "methodological" metadata, describing methods used for the generation of the data (e.g.

sampling, collection methods, editing processes); (c) "quality" metadata, describing the different quality dimensions of the resulting statistics (e.g. timeliness, accuracy).

8.13. Metadata systems are systems of tools and methods designed for storing, processing, retrieving and disseminating metadata. In statistically advanced countries a metadata system may include such components as concepts database, classification database, archiving database and their user interfaces. In well-organized systems the metadata items can be conveniently retrieved from the relevant databases and be used in the generation of the intermediate and final datasets, or in the production of other metadata.

8.14. There has been a growing recognition of the importance of metadata among the community of tourism statisticians. However, in many countries tourism statistics metadata are not given a due attention yet. The common problems with tourism statistics metadata systems include:

i. A full set of the concepts and definitions actually used in a country's tourism statistics is not always available or disseminated;

ii. The description of data sources and the organization of the statistical process are not detailed enough for a comprehensive evaluation of quality of statistics;

iii. Often tourism statistics metadata are stored in different files and formats (e.g., in a set of notes imbedded in MS Access, Excel and Word files) specific to the particular sets of tourism statistics, which are not easily accessible by other participants of the tourism statistics production process. Such a fragmented storage creates inefficiency and is error prone.

8.15. In this connection countries are advised to conduct a review of their tourism statistics metadata systems and develop an action plan to improve them on the basis of the good practices described in this Guide and other relevant international guidelines[67].

B.3. Linking structural and reference metadata

8.16. The structural metadata in tourism statistics provide identifiers and descriptors of data. Without the associated metadata, any data item (e.g. a specific number) is meaningless and cannot be used.

Box 8.3: A simple numerical example of metadata

For example, to treat any number, say, number 10, as part of tourism statistics would require association with it of certain minimal metadata items. A comma delimited record, combining data and metadata items, created to achieve this goal can look like this: (10, number of arrivals, thousand, 2012, XYZ, Australia, Air). This record can be understood as follows: there were 10 thousand arrivals in 2012 to country XYZ from Australia by air. The structural metadata used in this example are:

- unit of measure (number of arrivals),
- multiplier (thousand),
- reference period (year 2012),
- reporting country,
- country of residence (Australia),
- mode of transport (Air).

Source: *UNWTO*

[67] See, for example, OECD (2007), *Data and Metadata Reporting and Presentation Handbook*.

8.17. Structural metadata should always be linked to reference metadata in order to provide a full explanation of the underlying concepts and methods used in the data compilation (e.g. on what basis the country of residence is determined, how accurate the number 10 is, etc.).

8.18. The required structural metadata can be determined on the basis of the recommendations contained in *IRTS 2008* and in the preceding chapters of this Guide. As an example, two lists of structural metadata items are presented below (see Table 8.1 and Table 8.2). The first list is for use in data on tourism trips and characteristics of visitors and the second is for use in data on tourism expenditure.

Table 8.1: Structural metadata for use in datasets on tourism trips and characteristics of visitors

Metadata items	Description of possible values of metadata items
Form of tourism	Inbound tourism, outbound tourism, domestic tourism, internal tourism, national tourism, international tourism
Unit of measure	Number of arrivals, number of departures, number of visits
Multiplier	e.g. thousand, million
Reference period	Month, quarter, annual
Sex	Male, female
Age	Age groups
Economic activity status	ICSE-93
Occupation	ISCO-08
Annual income	National classification of income groups
Education	ISCED-97
Travel party size	Number
Country of residence	Any on the UN Standard Country or Area Codes for Statistical Use
Country of destination	Any on the UN Standard Country or Area Codes for Statistical Use
Territorial unit	Territorial unit according to the national classification of territories/administrative areas of a compiling country
Main purpose of trip	As defined in *IRTS 2008, Figure 3.1* and paragraphs *3.17* – *3.20*
Duration of a trip or visit	Number of overnight stays and/or number of days
Mode of transport	As defined in *IRTS 2008, Figure 3.2*
Type of accommodation	National classification of types of accommodation

Table 8.2: Structural metadata for use in datasets on tourism expenditure

Metadata items	Description of possible values of metadata items
Forms of tourism expenditure	Inbound tourism expenditure, outbound tourism expenditure, domestic tourism expenditure, internal tourism expenditure, national tourism expenditure, international tourism expenditure.
Categories of tourism expenditure	Classification of categories of tourism expenditure: *IRTS 2008, 4.26*
Unit of measure	National Currency, USD
Multiplier	e.g. thousand, million
Reference period	Month, quarter, annual
Country of origin	Any on the UN Standard Country or Area Codes for Statistical Use
Country of destination	Any on the UN Standard Country or Area Codes for Statistical Use

8.19. The main components of tourism statistics reference metadata are:

i. C*oncepts and definitions used in national tourism statistics* (including definitions of particular data variables, and any deviations from IRTS 2008);

ii. *Classifications applied and correspondence tables* (including correspondence tables between these (national or regional) classifications and classifications recommended in IRTS 2008);

iii. *Description of data sources and data collection methods and their specificity* (e.g. administrative sources, tourism demand and supply side surveys, including comments on limitations of source data in terms of coverage, frequency, level of detail, reliability, availability, etc.; description of the methods used to validate the data and insure their internal and external consistency);

iv. *Description of data compilation procedures.* For example, description of specific procedures used for the data aggregation including estimation and imputations applied or in deriving tourism data from statistical observations: for instance, calculating inbound tourism expenditure is not directly derived from one survey but requires the combination of information on flows of visitors (at arrival) and on expenditure of visitors classified by types (on departure);

v. *Description of dissemination policy* (including coverage of the disseminated data, data release and revision schedules, confidentiality rules etc. (see Section C below for details);

vi. *Description of the disseminated data variables* (including the list of such variables and their periodicity);

vii. *Quality measures and indicators* (see paragraph 8.9).

B.4. Compilation of tourism statistics metadata

8.20. Countries are encouraged to compiled metadata along the process of statistics production and metadata should be used to ensure consistency of the resulting data. Nevertheless, in setting up new statistical processes, certain flexibility should be allowed in order to give fluidity to the creation process. This Guide recommends using the following good practices, as applicable, in the compilation of tourism statistics metadata.

i. *As an initial step begin by identifying all possible existing data sources.* Compile an inventory of all sources related to tourism statistics and which shall be used either as an input or for reference purposes in order to place tourism statistics within the general framework of official statistics. It is a good practice to establish the format of such an inventory following the recommendations contained in the UNWTO Tourism Metadata document;

ii. *While developing tourism statistics metadata make use, as appropriate, of the metadata concepts and definitions that have been defined in line with IRTS 2008;*

iii. *Once the process is in place, apply the reference metadata framework in order to document its results.* It is very likely that a general metadata policy is already in place in related statistical domains. Tourism statistics compilers are advised that such metadata are carefully reviewed and made use of as necessary;

iv. *Establish metadata registries*. A metadata registry is a central repository (preferably formatted as a database) that allows linking the metadata items used in the descriptions of particular statistical dataset;

v. *Incorporate structural metadata items into the data processing as early as possible.* It is advisable that structural metadata are made an integral part of national tourism statistics database, so that it can be extracted together with any data item and used in data processing to obtain meaningful combined data sets;

vi. *Presentation of reference metadata*. Reference metadata can be presented as detailed explanatory notes describing the scope, coverage, and quality of data and can be made available electronically alongside the database or in special publications;

vii. *Institutional arrangements for metadata compilation.* Metadata should be seen as part of the process of statistical development and should therefore be part of the overall work programme of the inter-institutional governance structure put in place to develop the System of Tourism Statistics (see Section D below).

C. Data and Metadata Dissemination

8.21. The importance of the dissemination of statistical information lies in the fact that availability of official statistics to users is one of the cornerstones of public confidence in good government as such statistics can inform the debate and decision-making both by governments and by the wider community. This is highlighted in the UN Fundamental Principles of Official Statistics. In the light of these Principles, the dissemination of data and metadata should be carried out with great care and attention to the needs of users while, at the same time, ensuring adequate confidentiality of data providers.

8.22. Based on the recommendations of the UN Statistical Commission in related statistical domains and on accumulated experiences this Guide advises countries to adopt the following general good practices:

i. Identify the variables to be disseminated on the basis of the recommendations contained in IRTS 2008. The elaboration of data variables provided in this Guide and user needs specific to the country should be given full consideration.

ii. Set the policy on timeliness of data and periodicity of dissemination of tourism statistics following the rules adopted in the national statistical system for short term and annual (structural) data dissemination. For example, in order to improve timeliness, it is a good practice to publish on a regular basis the provisional estimates of selected key tourism variables soon after the end of the reference period. Such estimates, by their nature, would be based on relatively limited data content and are to be replaced by more accurate, but less timely figures at a later date.

iii. Ensure equal treatment of all users and adequate user access. Data should be disseminated without preference to any national or international user group and made available in a user friendly manner. Provision of access to data should be free of charge as much as possible (especially to data available on-line). However, in cases where additional costs are significant (e.g., preparation of printed publications and customized data sets) data can be provided on a fee basis. In order to ensure that users are, in fact, provided with adequate access countries are advised to periodically conduct user satisfaction surveys.

iv. Publish an advance release schedule. Users will have more confidence in the integrity of tourism statistics if these statistics are disseminated according to a

published advanced release schedule. For major statistical releases, it is often helpful to organize press briefing events.

v. Give due attention to a proper metadata dissemination. Users should be informed how to access and better understand the information on concepts, variables, classifications and statistical methods applied in producing statistical results.

vi. Ensure coherence and consistency of disseminated data. (see Box 8.1 for details)

vii. Build strong working relationships with the media. This will make it easier for journalists to report on tourism statistics in an accurate, timely and informative manner thus ensuring its improved dissemination to the broader society;

viii. Assert integrity and credibility of tourism statistics. It should be stressed that in accordance with the Fundamental Principles of Official Statistics (see Principle 4) the body responsible for official statistics is entitled to comment on erroneous interpretation and misuse of such statistics. Countries are advised to apply this principle in respect of tourism statistics as necessary to help users to minimize the impact of such negative occurrences and to assert the integrity and credibility of tourism statistics.

ix. Ensure statistical confidentiality. Statistical confidentiality refers to the protection of information on individual statistical units and has to be differentiated from other forms of confidentiality under which information is not disseminated due to other considerations, for example due to national security concerns. This Guide advises to apply the rules on data confidentiality adopted in the national statistical system also in the dissemination of tourism statistics and to make use, as applicable, of the general international guidelines developed for statistical disclosure control of micro-data[68]. For example, any information deemed confidential should be reported in full detail at the next higher level of product or industry classification that adequately protects confidentiality.

x. Make use of various formats and means of dissemination. Both data and metadata can be disseminated in various formats and by various means. In view of the diversity of users it is a good practice to adopt several formats and means of dissemination of tourism statistics to ensure that data and metadata are effectively delivered. For example, press releases aimed at the general public have to be disseminated in ways that facilitate re-dissemination by mass media, while more comprehensive or detailed statistics intended for researchers need to be disseminated via on-line databases, with hard copy or printable publications used as reference materials. This Guide advises that, as far as possible, official tourism statistics should be made available to users through the electronic databases maintained by the responsible body[69].

xi. Aim towards an integrated presentation of statistics on tourism demand and supply. Users expect tourism statistics to cover both tourism demand and tourism supply and that they be presented as a coherent data set. To meet this user expectation it is a good practice that such an integrated presentation be accompanied by proper metadata and additional explanations to assist users in data interpretation. Also, it is a good practice to include in such integrated presentations some summary comparison of selected tourism data with Balance of Payments (BOP) statistics (e.g. data on totals of inbound and outbound tourism expenditure with BOP travel and passenger

[68] UNECE (2007), *Managing Statistical Confidentiality and Micro data Access: Principles and Guidelines of Good Practice*.

[69] It is a good practice to ensure that such databases: (a) allow free and equal access to all users to any data record considered part of official tourism statistics; (b) contain an extensive metadata and knowledge base; (c) allows to make queries easily and with a user-friendly interface on the entire database, and to download query results in the commonly used electronic data formats thus reducing the need for personalized handling of most data requests and greatly enhancing efficiency of data dissemination.

transportation items). In this connection, close cooperation with compilers of BOP and trade in services statistics is important.

xii. Develop a data revision policy that is well designed, carefully managed, transparent and well-coordinated with other areas of statistics and hence, allows users to cope with revisions in a systematic manner. It is a good practice to ensure availability of a detailed description of the revision policy on the responsible body's website including: (i) description of the timing of the revisions from year to year (timing of revisions should be clearly reflected in the data release calendar), (ii) explanation of the reasons for major revisions including information on its possible impact on the data, (iii) documentation of revisions in metadata including those provided in the statistical publications and databases. In summary, a good revision policy should balance accuracy with other quality dimensions. Also, the policy should be practical to implement, and should itself be revised as necessary.

8.23. Regarding the dissemination of data to UNWTO, other international, supranational and regional organizations, IRTS 2008 recommends that tourism statistics be disseminated internationally as soon as they become available for national users. In this connection countries are requested to comply with the UNWTO regular data request formats, details of which are available at the UNWTO website. It is recognized also, that countries might have different reporting obligations to other international and regional organizations.

D. Institutional arrangements for a System of Tourism Statistics

D.1. Governance aspects in tourism statistics: an introduction

8.24. Ensuring proper governance[70] of the statistical process is critical for successful compilation and dissemination of official tourism statistic due to the interdisciplinary character of these statistics. Therefore, establishing a set of agreements on the division of the responsibilities between the involved institutions is absolutely essential. Such agreements are generally referred to by the UN Statistical Commission (UNSC) as institutional arrangements. In the context of the development of a System of Tourism Statistics such institutional arrangements have traditionally been referred to by UNWTO as the Inter-institutional Platform (IIP), which it recommends in its technical assistance and capacity building initiatives.

8.25. The success of an IIP depends on the existence of a clear division of responsibilities and a mutually beneficial cooperation between NTAs and NSOs and other entities, which have developed historically in countries and in different ways. Factors leading to the increased importance of cooperation, especially between the NTA and NSO, are:

i. rising cost consciousness, the parties should focus on their respective expertise, making use of existing data and looking after consistency of statistical material;

ii. the expiration in many countries of some traditional administrative sources of data such as Entry/Departure cards, which are gradually being replaced by a system of surveys where NSOs usually have more experience; and

[70] In general, governance is understood as the exercise of political, economic and administrative authority necessary to manage a nation's affairs. It refers to the process by which decisions are made and implemented and by which public institutions conduct public affairs and manage public resources, see OECD Glossary of Statistical Terms

iii. the fact that a TSA is compiled on the basis of the System of National Accounts, which is in most countries responsibility of the NSO.

8.26. An overarching purpose of the institutional arrangements is to ensure availability of official statistics that meet user needs and are compiled and disseminated in the most efficient way. A lack of harmonization is often referred to as a "stove-piping" of statistical process when it is organized as numerous independent and uncoordinated production lines: each statistical output is managed from beginning to end within a separate division or a separate entity, each with its own concepts and classifications (that may be poorly related to other fields of statistical work), unique sampling frame, survey design and data compilation system. "Stove-piping" diminishes the efficiency of statistical processes by making it difficult to develop and use consistent concepts and classifications, sampling frames, and use of the resulting statistics in other statistical domains, thus impairing the quality of official statistics in general. "Stove-piping" is an issue that unfortunately many countries face in tourism statistics compilation as the involvement of many agencies with frequently conflicting priorities makes it difficult to agree on the implementation of common concepts, definitions, classifications and data collection and compilation procedures.

8.27. As an integral part of the national statistical system, tourism statistics, and the related institutional arrangements, should ideally be inserted into and complement the legal framework available for the national statistical system. Experiences in some countries have shown the great benefit of passing a law on tourism statistics detailing a long-term plan for the development of the System of Tourism Statistics (ideally integrated into the national plan/strategy for the development of statistics), as well as the role and responsibilities of the Inter-Institutional Platform and its constituents.

8.28. In cases of a weak legal background for collecting and/or compiling data, institutional arrangements are all the more important. Under certain circumstances, the institutional arrangements can be more flexible than legal acts. Gained experience with such arrangements may actually play an important role in the initiation of the activities aiming to improve the existing legal framework.

8.29. The UN Statistical Commission systematically promotes an integrated approach to official statistics and sees the establishment of institutional arrangements as a prerequisite of success of such efforts. Since the adoption of IRTS 2008 the UNSC endorsed a number of recommendations on institutional arrangements in respect of the organization of the statistical process in general[71]. In the context of specific related statistical domains, the forthcoming *Compilers Guide for the Manual of Statistics of International Trade in Services* provides additional guidance on institutional arrangements.[72]

8.30. The UN Commission recognized that it is neither possible nor desirable to propagate a single type of institutional arrangements as national statistical systems are different. This Guide also acknowledges that different institutional arrangements may result in adequate tourism statistics, provided such arrangements promote the compilation of tourism statistics on the basis of internationally recognized methodology and data compilation guidelines set out in IRTS 2008. At the same time, it should be noted that not all types of institutional arrangements can be equally effective.

[71] The most important recent UN documents in this connection are the Guidelines on Integrated Economic Statistics and the National quality assurance framework

[72] This is very relevant for tourism statistics in view of the close links between tourism statistics and statistics of international trade in services.

D.2. Role of the institutions involved

8.31. Section D of Chapter 1 provides a brief overview of the Inter-Institutional Platform and its advantages. The National Tourism Administration (NTA) and the National Statistical Office (NSO) are key members of the Inter-Institutional Platform in any country. In many countries the central bank (CB) is also a key member, especially if the CB is running its own data collection system with respect to the Travel and Transportation items of the Balance of Payments[73] (see also 1.32-1.33).

8.32. In addition, close cooperation should also be sought with other stakeholders such as Immigration and Border protection authorities, Customs administration, Ministry of trade/economy, Ministry of Finance/Tax, and the private sector (Chamber of Commerce or other representatives of a country's tourism sector).

8.33. *National Tourism Administrations* are both major user and important producer of tourism statistics as well as the key governmental agency providing a political leadership and support for the development of tourism statistics. They have an essential role to play because of their responsibility in the formulation of public policy in respect of tourism, in the description and analysis of tourism and in the coordination of the relevant activities of various stakeholders. National Tourism Administrations should make use of technical and statistical capabilities of other agencies, like the National Statistical Office, to set up, coordinate and manage complex statistical operations (e.g. surveys and the compilation of a full set of TSA tables).

8.34. *National Statistical Offices* play a major role within the Inter-Institutional Platform as they are responsible for the coordination of the national statistical system, which means that they will provide the required credibility for tourism statistics. Also, NSO's experience in carrying out statistical surveys is essential for the compilation of tourism statistics in an integrated way and in accordance with the internationally adopted statistical techniques. Important is also that NSOs are in charge of the national accounts, meaning that any efforts towards a Tourism Satellite Account as part of the development of the System of Tourism Statistics needs to be integrated, or at least closely aligned, in their programme of work in the long run.

8.35. *Central banks,* which usually are in charge of the compilation of the Balance of Payments of a country, should also be part of the platform. They have a specific interest in compiling items closely related to tourism activity, such as international passenger transportation and the travel item. Their international commitments to provide data to international organizations, (particularly to the IMF) enable them to place pressure on their partners to generate the needed data. Moreover, they may be able to provide both technical and financial assistance to the common effort. All these elements may be helpful in putting the IIP in motion and/or significantly improve its functioning and getting the required results.

8.36. *Immigration and Border Control Authorities* should play a specific role as in many countries the data they collect is the main source of information on flows of international travellers. In other countries, they participate in the collection of Entry/Departure (E/D) cards, although they do not process them. A close inter-agency coordination to ensure timely processing of the relevant administrative records generated by the immigration and border control authorities is essential for assuring quality of tourism statistics. Also, such cooperation is very important for

[73] It should be noted that in several countries compilation of BOP (or parts of it) is the responsibility of national statistical office (e.g., in Austria, Australia, Canada, Norway).

a timely assessment of the impact of the planned changes in administrative procedures on the content of tourism statistics in the future and, subsequently, on the structure and content of the country's TSA.

8.37. *Representatives of the private sector* are not only key users of tourism statistics and a main focus of tourism policy, they can also assist in the data collection process by informing tourism enterprises about the importance of timely and accurate reporting the requested information about their activities and promote the use of modern IT in such reporting. They can further support the communication between tourism statistics producers and the tourism sector in survey design as well as in the interpretation of results. For example, hotel associations might help collect information on availability of rooms and beds and the occupancy rates among their members.

8.38. Other members will also have roles to play in the identification of the variables to be observed, in the formulation of the scope of the conclusions to be drawn from the data, and/or in the collection of specific kinds of raw data. These might relate either to the national level or to more restricted or specialized levels: geographical, specific subject areas, specific activities, etc. For example, ministries of education and health might be helpful in collecting data on specific categories of visitors. Ministries of Ministry of trade/economy might encourage improved measurement of tourism if they see the implications for their own policy areas, and the Ministry of Finance/Tax might have to be on board to ensure adequate, long-term funding. Moreover, in countries with a decentralized government, some decisions related to tourism statistics might be taken by subnational administrations and their involvement becomes crucial.

8.39. Various private consultancy groups might provide some insights and technical expertise in modelling missing data. However, UNWTO does not recommend outsourcing the development of the System of Tourism Statistics (including tourism statistics and TSA) to private contractors. Even though it seems apparently more efficient in terms of getting rapidly to some data that could be used in the political sphere, this procedure might hinder the objective of national capacity building and limit sustainability in time of the efforts to continue and improve the system. Nevertheless, some specific jobs might be assigned to consultant, though always under the technical responsibility of an official national institution.

D.3. Characteristics of effective institutional arrangements

8.40. The UN Statistical Commission consistently encourages countries to ensure that institutional arrangements possess certain characteristics which enhance their effectiveness. These characteristics are of a fundamental importance to tourism statistics and include the following:

i. The totality of the collective responsibilities of the agencies involved in a given statistical domain covers all the stages of the statistical process – from the identification of user needs through the collection of raw data to data compilation, dissemination and evaluation of disseminated statistics;

ii. An unambiguous definition of the rights and responsibilities of all involved agencies in order to avoid misunderstandings, duplication of work or omission of some significant work elements;

iii. The working arrangements between agencies are properly laid out in a Memorandum of Understanding (MoU) or a similar document[74]. An important benefit of the MoU is the enactment of an early warning of changes to administrative procedures or statistical processes that could affect the quality of data used for the production of statistics, making interagency cooperation more predictable;

iv. The informal agreements between the responsible units of the involved agencies are maintained to ensure necessary flexibility;

v. Designation of a single body, e.g., the National Tourism Administration or the Inter-Institutional Platform for Tourism Statistics, with a clear mandate to monitor and coordinate various aspects of statistics production process resulting in official tourism statistics. The existence of such a body is also essential from the users' perspective as it provides a clear designation of a single source of official data and a point of contact for any inquires. This raises the users' confidence in data quality and promotes a wider and more effective data use;

vi. The main user groups are included in the institutional arrangements and actively participate in setting and monitoring the production and dissemination of statistics.

8.41. The efficiency of institutional arrangements is further enhanced if the responsible body has an appropriate mandate and executes it effectively. In this connection, it is a good practice if the responsible body: (i) adopts a strategic approach to planning its work that involves multi-level planning activities, and (ii) implements efficient process management beginning with the identification of data sources, data collection, processing and ending with dissemination of outputs in various user friendly formats.

Box 8.4: Efficiency by using regularly collected data

"A statistical agency should not automatically initiate a new survey in response to every demand for information. Rather, it should systematically attempt to react to new demands by exploring how they might be satisfied using regularly collected data or, failing that, by examining whether the administrative records already in the hands of government can address the new request, at least to some degree. Whether or not, or rather to what extent administrative records can be used to replace or to supplement statistical survey information, is a very complex issue and the answer also depends very much on specific national situations. Statisticians tend to be wary of the quality of administrative information, in terms of concept and coverage. Nevertheless, the attractive features of administrative records are that they are to be collected or have been collected anyway. It is probably true in many countries that some administrative records, e.g. tax records, have a very good coverage of parts of the population, and that the rate of response is substantially better than that achieved by a statistical agency. Moreover, there is always the possibility of improving on the information yielded by those records by supplementing them with data obtained from a much smaller sample of respondents."

Source: *UN (2003), Handbook of Statistical Organization*

[74] A Memorandum of Understanding is a legal document that outlines the terms and details of an agreement between agencies, including each party's requirements and responsibilities. See also *IRTS 2008*, 9.30. It should be noted that the documentation of the agencies' responsibilities relevant to tourism statistics may be a part of a broader MoU between the concerned agencies covering other areas of cooperation and other statistical domains.

D.4. Structure and organization of work

8.42. This Compilation Guide advises that countries review the good practices described below and implement them as applicable, taking into account the specificity of their national statistical systems. The described practices might be of particular interest to countries which are at the early stages of the development of their System of Tourism Statistics.

i. Specific formal agreements should be established between the NTA, NSO and other institutions that are relevant in each national situation. These agreements should cover, *inter alia*, such topics as (a) responsibility for developing methodology including the incorporation of international recommendations contained in *IRTS 2008* and *TSA:RMF 2008*; (b) timing of carrying out of particular data collection activities; (c) resources involved and cost sharing in data collection and dissemination of the official tourism statistics; (d) rules of access to the survey results and microdata (including data anonymisation) and relevant administrative records enabling the production of the necessary aggregates while preserving the confidentiality of individual data; and (e) quality standards, etc. The agreements should cover not only governmental agencies, but also relevant private organizations.

ii. In order to support the sustainability in time of tourism statistics' development efforts, countries may wish to establish an IIP consisting of agreements at two levels: the political level and the technical level. The higher, political level body (which could carry the name of council, board or commission), would include the heads or deputies of the corresponding bodies and would be chaired by the Minister of Tourism or his equivalent. The political level's main responsibilities would include: determining the basic policy issues and strategic direction, adoption of a long-term plan for the development of the System of Tourism Statistics and the medium-term work programme, and commitment for bringing together the necessary staff, technical capabilities, financial resources and political commitment. It would review and give its approval to the results obtained at the different stages of the tourism statistics' and TSA production process, formulate and monitor the implementation of tourism statistics' dissemination policy.

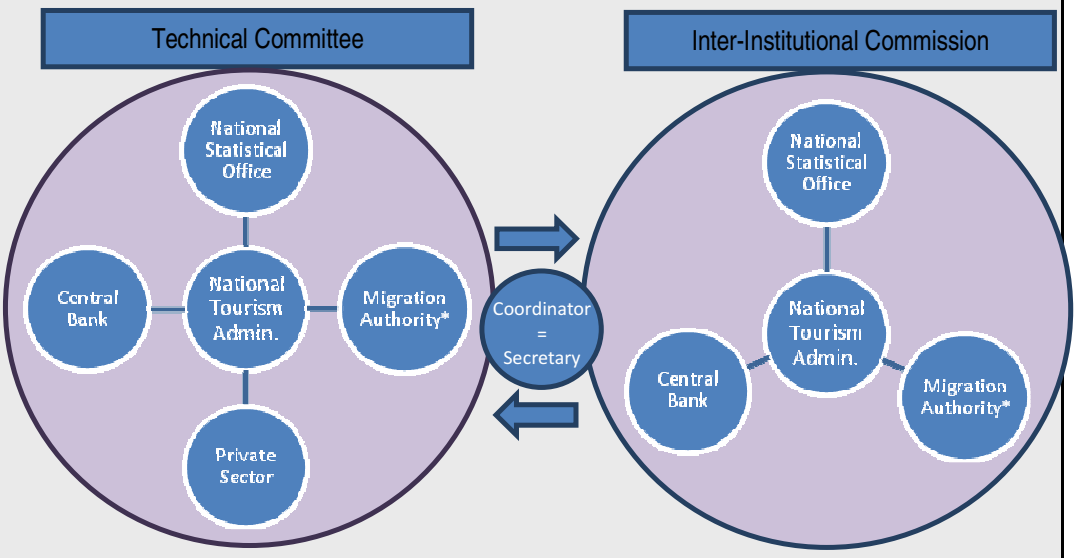
iii. The technical level body (which could carry the name of technical committee or similar) may be established as a second level body consisting of leading experts from the different participating institutions. It would be responsible for the coordination of the technical work involved. It might be chaired by the head of the NTA unit in charge of tourism statistics. Alternatively, it could be chaired by the head of the NSO unit in charge of tourism statistics or of National Accounts, or by any individual whose personal capacities clearly designate him/her to occupy this position. This person would be in charge of advising the political level, as well as of the implementation and translation into technical terms of its orientations. This technical level body should design a long-term plan for the development of the System of Tourism Statistics that is to be presented to the political level for their approval and political follow-up. Cooperation of different areas within the NTA (Minister or equivalent, head of the unit in charge of tourism statistics, head of research/analysis, etc.) and the NSO (e.g. Chief Statistician or equivalent, head of the unit in charge of tourism statistics, National Accounts, business statistics) is additionally crucial in that respect.

iv. In addition, the technical level body may choose to form ad hoc technical working groups according to the different topics to be addressed. It should create these as needed, appointing their members and chairs, providing guidelines for their operations and specifying expected output. The working groups report to the technical level body which in turn reports to the political level. The working groups would comprise technical

staff specialized in different relevant topics of interest and coming from the different institutions involved in the IIP. Each of these ad hoc working groups would be chaired by the staff presenting the best conditions for it, according to the institution to which he/she belongs, or his/her personal capability and past experience in the matter at hand. Specific staff might be hired for the project, but their institutional links should be clearly established.

Box 8.5: The MERCOSUR example of an Inter-Institutional Platform set-up

The Inter-Institutional Platform set-up below is what emerged from the Project "Harmonization of the Systems of Tourism Statistics in the Southern Cone". It involved Argentina, Brazil, Chile, Paraguay, and Uruguay and was supported by the Inter-American Development Bank and the World Tourism Organization.



* It should be noted that "Migration Authority" is extensible to any institution possessing and potentially providing information that could be relevant to the System of Tourism Statistics (e.g. airports/ports, Tax Authority, etc.).

The function of the ***Technical Committee*** is to periodically evaluate compliance with the development plan, propose actions, set a programme of work and an agenda of meetings to monitor and report back to the Inter-institutional Commission.

The role of the ***Inter-institutional Commission*** is to raise the monitoring of the project to the political arena, involving decision making, formalizing agreements and commitments of the institutions, and allocating tasks and resources.

In addition, representation of these two bodies is also elevated to the regional level with a ***Regional Technical Committee***, constituted of the NTA representatives from all MERCOSUR countries, and a ***Regional Inter-Institutional Commission***, composed of the Ministers of Tourism (or equivalent) of each of the MERCOSUR countries. These groups meet regularly, often through videoconference, to discuss the progress of the set of countries and the way forward of the project. The Regional Inter-Institutional Commission often meets in the framework of the official MERCOSUR meetings and with this project as a point on the official agenda.

It is also worth mentioning that the sustainability over time of this Inter-Institutional Platform set-up was established and reinforced by the signing of Memorandums of Understanding that identified the institutions and persons, their roles and responsibilities, etc.

Source: *"Armonización del Sistema de Estadísticas de Turismo en los Países del Cono Sur" (2013)*

8.43. It should be noted that regional cooperation in tourism statistics is a very important initiative and the UNWTO fully endorses its strengthening. In this connection countries might wish to consider establishing Regional Inter-institutional political and technical bodies to periodically meet, discuss common issues and agree on the mutual assistance. In particular, such regional bodies might be instrumental in raising awareness and mobilizing political support and resources, adopting common methodological approaches (e.g., region specific classifications of characteristic products and activities), organizing regional "training the trainers" programmes and establishing regional tourism statistics websites (and databases). Such activities might significantly improve the efficiency of national STS and ensure a better comparability of national tourism statistics. In some cases secretariats of the regional organizations might be in a position to enable maintaining, coordinating and controlling the agendas and commitments relevant to the development of tourism statistics. Such regional institutional arrangements will help UNWTO and other regional and international organizations provide policy guidance and technical assistance more effectively.

8.44. The country experiences in institutional arrangements are divers. Box 8.6 and Box 8.7 briefly describe how coordination between different agencies and the work of an Inter-Institutional Platform look like in the Philippines and Canada. Readers who are interested in more and detailed information are encouraged to consult the e-document of this compilation guide on the UNWTO website.

Box 8.6: Country Example – The Philippines

The National Statistical Coordination Board (NSCB) is the highest policy-making and coordinating body on statistical matters in the Philippines. In 1997, NSCB created the Inter-agency Committee on Tourism Statistics (IACTS) that main functions are to provide direction in the generation of tourism statistics and in the institutionalization of the compilation of a Tourism Satellite Account (TSA), and to advise on the development and maintenance of appropriate statistical standards and classification systems relative to tourism. IACTS is chaired by NSCB and co-chaired by the Department of Tourism (DOT). Its members are: Asian Institute of Tourism, Bangko Sentral ng Pilipinas, Bureau of Immigration (BI), Civil Aeronautics Board, Department of Interior and Local Government, National Economic and Development Authority, National Statistics Office, and private associations. The agreed institutional arrangements focus on methodology, data collection and compilation, dissemination of official data and information sharing, coordination and advocacy, and statistical capacity building.

The functioning of the system of tourism statistics in the Philippines is facilitated by signing various Memoranda of Agreements between DOT and other members of STS that cover various aspects of the statistical process as well as of capacity building (e.g. the MoA between DOT and BI on the Operation of A/D Card Processing Center, the MoA between DOT and NSO on Conduct of Household Survey on Domestic Visitors and also on the conduct of Establishment Survey, and the MoA between DOT and Statistical Research and Training Center on statistical capacity building for DOT regional personnel and local government units).

Source: *National Statistical Coordination Board, The Philippines, 2013*

Box 8.7: Country Example – Canada

Canada is an example of a centralized statistical system based on a strong legal framework which facilitates establishment of effective institutional arrangements and compilation of high quality statistics. The Statistics Act enables Statistics Canada to enter into a Partnership Agreement with the Canadian Tourism Commission (CTC). Such agreement defines the objectives and responsibilities of both agencies with respect to collection, processing and sharing the information as well as the costs of production and dissemination of tourism statistics.

Most tourism related surveys are conducted by Statistics Canada in cooperation with CTC. To ensure that tourism statistics are compiled efficiently Statistics Canada uses various sources of information and, in addition to CTC, cooperates with other governmental agencies which provide assistance in the organization of data collection activities in their areas of responsibility (e.g. the Canada Border Services Agency for frontier count of travellers and the Canadian Tourism Human Resource Council for statistics on employment in tourism industries).

Canadian Tourism statistics, being part of official statistics compiled by Statistics Canada, is subject to common quality assurance policies which enhances the public trust in these statistics.

Source: *Statistics Canada, 2013*

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Glossary of terms[75]

Tourism is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their *usual environment* for *personal* or *business/professional purposes*. These people are called *visitors* (which may be either *tourists* or *excursionists*; residents or non-residents) and tourism has to do with their activities, some of which involve *tourism expenditure*.

Activity/activities: In tourism statistics, the term *activities* represent the actions and behaviours of people in preparation for and during a trip in their capacity as consumers (*IRTS 2008, 1.2*).

Activity (principal): The *principal activity* of a producer unit is the *activity* whose value added exceeds that of any other *activity* carried out within the same unit (*SNA 2008, 5.8*).

Activity (productive): The *(productive) activity* carried out by a statistical unit is the type of *production* in which it engages. It has to be understood as a process, i.e. the combination of actions that result in a certain set of products. The classification of productive activities is determined by their *principal output.*

Administrative data: Administrative data is the set of units and data derived from an administrative source**.** This is a data holding information collected and maintained for the purpose of implementing one or more administrative regulations.

Aggregated data: The result of transforming unit level data into quantitative measures for a set of characteristics of a population.

Aggregation: A process that transforms microdata into aggregate-level information by using an aggregation function such as count, sum average, standard deviation, etc.

Analytical unit: Entity created by statisticians, by splitting or combining observation units with the help of estimations and imputations.

Balance of payments: The balance of payments is a statistical statement that summarizes transactions between residents and non-residents during a period. It consists of the goods and services account, the primary income account, the secondary income account, the capital account, and the financial account (*BPM6, 2.12*).

Bias: An effect which deprives a statistical result of representativeness by systematically distorting it, as distinct from a random error which may distort on any one occasion but balances out on the average.

Business and professional purpose (of a tourism trip): The *business and professional purpose of a tourism trip* includes the activities of the *self-employed* and *employees*, as long as they do not correspond to an implicit or explicit *employer-employee relationship* with a *resident* producer in the country or place visited, those of investors, businessmen, etc. (*IRTS 2008, 3.17.2*).

Business visitor: A *business visitor* is a *visitor* whose main purpose for a tourism trip corresponds to the *business and professional* category of purpose (*IRTS 2008, 3.17.2*).

[75] This glossary includes terms related specifically to tourism statistics and general statistical terms. Interested readers should also consult the comprehensive glossary of the SDMX project.

Central Product Classification: The Central Product Classification (CPC) constitutes a complete product classification covering goods and services. It is intended to serve as an international standard for assembling and tabulating all kinds of data requiring product detail, including industrial production, national accounts, service industries, domestic and foreign commodity trade, international trade in services, balance of payments, consumption and price statistics. Other basic aims are to provide a framework for international comparison and promote harmonization of various types of statistics dealing with goods and services.

Census: A census is the complete enumeration of a population or groups at a point in time with respect to well defined characteristics: for example, Population, Production, Traffic on particular roads.

Coherence: Adequacy of statistics to be combined in different ways and for various uses.

Consistency: Logical and numerical coherence.

Country of reference: The *country of reference* refers to the country for which the measurement is done. (*IRTS 2008, 2.15*).

Country of residence: The *country of residence* of a household is determined according to the *centre of predominant economic interest* of its members. If a person resides (or intends to reside) for more than one year in a given country and has there his/her *centre of economic interest* (for example, where the predominant amount of time is spent), he/she is considered as a *resident* of this country.

Country-specific tourism characteristic products and activities: To be determined by each country by applying the criteria of *IRTS 2008, 5.10* in their own context; for these products, the activities producing them will be considered as *tourism characteristic*, and the *industries* in which the principal *activity* is *tourism-characteristic* will be called *tourism industries* (*IRTS 2008, 5.16*).

Data checking: Activity whereby the correctness conditions of the data are verified. It also includes the specification of the type of error or of the condition not met, and the qualification of the data and their division into “error-free data” and “erroneous data”.

Data collection: Systematic process of gathering data for official statistics.

Data compilation: Operations performed on data to derive new information according to a given set of rules.

Data confrontation: The process of comparing data that has generally been derived from different surveys or other sources, especially those of different frequencies, in order to assess and possibly improve their coherency, and identify the reasons for any differences.

Data processing: Data processing is the operation performed on data by the organization, institute, agency, etc., responsible for undertaking the collection, tabulation, manipulation and preparation of data and metadata output.

Data reconciliation: The process of adjusting data derived from two different sources to remove, or at least reduce, the impact of differences identified.

Destination (main destination of a trip): The *main destination of a tourism trip* is defined as the place visited that is central to the decision to take the trip. *See also purpose of a tourism trip* (*IRTS 2008, 2.31*).

Documentation: Processes and procedures for imputation, weighting, confidentiality and suppression rules, outlier treatment and data capture should be fully documented by the survey provider. Such documentation should be made available to at least the body financing the survey.

Domestic tourism: *Domestic tourism* comprises the activities of a *resident visitor* within the *country of reference,* either as part of a *domestic tourism trip* or part of an *outbound tourism trip* (*IRTS 2008, 2.39*).

Domestic tourism consumption: Domestic tourism consumption is the tourism consumption of a resident visitor within the economy of reference (*TSA:RMF 2008, figure 2.1*).

Domestic tourism expenditure: *Domestic tourism expenditure* is the *tourism expenditure* of a *resident visitor* within the *economy of reference,* (*IRTS 2008, 4.15(a)*).

Domestic tourism trip: A *domestic tourism trip* is one with a *main destination* within the *country of residence* of the *visitor* (*IRTS 2008, 2.32*).

Domestic visitor: As a *visitor travels* within his/her *country of residence*, he/she is a *domestic visitor* and his/her activities are part of *domestic tourism*.

Durable consumer goods: Durable consumer goods are goods that may be used repeatedly or continuously over a period of a year or more, assuming a normal or average rate of physical usage. When acquired by producers, these are considered to be capital goods used for production processes, as is the case of vehicles, computers, etc. When acquired by households, they are considered to be consumer durable goods (*TSA:RMF 2008, 2.39*). This definition is identical to the definition of *SNA 2008, 9.42*: *A consumer durable is a good that may be used for purposes of consumption repeatedly or continuously over a period of a year or more*.

Dwellings: Each household has a *principal dwelling* (sometimes also designated as main or primary home), usually defined with reference to time spent there, whose location defines the *country of residence* and *place of usual residence* of this household and of all its members. All other *dwellings* (owned or leased by the household) are considered *secondary dwellings* (*IRTS 2008, 2.26*).

Economic analysis: Tourism generates directly and indirectly an increase in economic activity in the places visited (and beyond), mainly due to demand for goods and services that need to be produced and provided. In the economic analysis of tourism, one may distinguish between tourism's 'economic contribution' which refers to the direct effect of tourism and is measurable by means of the TSA, and tourism's 'economic impact' which is a much broader concept encapsulating the direct, indirect and induced effects of tourism and which must be estimated by applying models. Economic impact studies aim to quantify economic benefits, that is, the net increase in the wealth of residents resulting from tourism, measured in monetary terms, over and above the levels that would prevail in its absence.

Economic territory: The term "*economic territory*" is a geographical reference and points to the country for which the measurement is done (*country of reference*) (*IRTS 2008, 2.15*).

Economically active population: The *economically active population* or labour force comprises all persons of either sex who furnish the supply of labour for the *production* of goods and services as defined by the system of national accounts during a specified time-reference period (ILO, Thirteenth ICLS, 6.18).

Economy (of reference): "Economy" (or "*economy of reference*") is an economic reference defined in the same way as in the balance of payments and in the system of national accounts: it refers to the economic agents that are resident in the *country of reference* (*IRTS 2008, 2.15*).

Employees: *Employees* are all those workers who hold the type of *job* defined as "paid *employment*" (ILO, Fifteenth ICLS, pp. 20-22).

Employer-employee relationship: An *employer-employee relationship* exists when there is an agreement, which may be formal or informal, between an entity and an individual, normally entered into voluntarily by both parties, whereby the individual works for the entity in return for remuneration in cash or in kind (*BPM6, 11.11*).

Employers: *Employers* are those workers who, working on their own account with one or more partners, hold the type of *job* defined as a "*self-employment job*" and, in this capacity, on a continuous basis (including the reference period) have engaged one or more persons to work for them in their business as "*employee*(*s*)" (ILO, Fifteenth ICLS, pp. 20-22).

Employment: Persons in employment are all persons above a specified age who, during a specified brief period, either one week or one day, were in paid employment or self-employment (OECD GST, p. 170).

Employment in tourism industries: *Employment in tourism industries* may be measured as a count of the persons employed in tourism industries in any of their jobs, as a count of the persons employed in *tourism industries* in their main *job*, or as a count of the *jobs* in *tourism industries* (*IRTS 2008, 7.9*).

Enterprise: An enterprise is an institutional unit engaged in production of goods and/or services. It may be a corporation, a non-profit institution, or an unincorporated enterprise. Corporate enterprises and non-profit institutions are complete institutional units. An unincorporated enterprise, however, refers to an institutional unit — a household or government unit — only in its capacity as a producer of goods and services (OECD BD4, p. 232).

Establishment: An *establishment* is an enterprise, or part of an enterprise, that is situated in a single location and in which only a single *productive activity* is carried out or in which the principal *productive activity* accounts for most of the value added (*SNA 2008, 5.14*).

Estimation: Estimation is concerned with inference about the numerical value of unknown population values from incomplete data such as a sample. If a single figure is calculated for each unknown parameter the process is called "point estimation". If an interval is calculated within which the parameter is likely, in some sense, to lie, the process is called "interval estimation".

Exports of goods and services: Exports of goods and services consist of sales, barter, or gifts or grants, of goods and services from residents to non-residents (OECD GST, p. 194).

Frame: A list, map or other specification of the units which define a population to be completely enumerated or sampled.

Forms of tourism: There are three basic forms of tourism: domestic tourism, inbound tourism, and outbound tourism. These can be combined in various ways to derive the following additional forms of tourism: internal tourism, national tourism and international tourism.

Goods: Goods are physical, produced objects for which a demand exists, over which ownership rights can be established and whose ownership can be transferred from one institutional unit to another by engaging in transactions on markets (*SNA 2008, p. 623*).

Gross fixed capital formation: Gross fixed capital formation is defined as the value of institutional units' acquisitions less disposals of fixed assets. Fixed assets are produced assets (such as machinery, equipment, buildings or other structures) that are used repeatedly or continuously in production over several accounting periods (more than one year) (*SNA 2008, 1.52*).

Gross margin: The gross margin of a provider of reservation services is the difference between the value at which the intermediated service is sold and the value accrued to the provider of reservation services for this intermediated service.

Gross value added: Gross value added is the value of output less the value of intermediate consumption (*TSA:RMF 2008, 3.32*).

Gross value added of tourism industries: Gross value added of tourism industries (GVATI) is the total gross value added of all establishments belonging to tourism industries, regardless of whether all their output is provided to visitors and the degree of specialization of their production process (*TSA:RMF 2008, 4.86*).

Grossing up: Activity aimed at transforming, based on statistical methodology, micro-data from samples into aggregate-level information representative of the target population.

Imputation: Procedure for entering a value for a specific data item where the response is missing or unusable.

Inbound tourism: *Inbound tourism* comprises the *activities* of a *non-resident visitor* within the *country of reference* on an *inbound tourism trip* (*IRTS 2008, 2.39*).

Inbound tourism consumption: Inbound tourism consumption is the tourism consumption of a non-resident visitor within the economy of reference (*TSA:RMF 2008, figure 2.1*).

Inbound tourism expenditure: *Inbound tourism expenditure* is the *tourism expenditure* of a *non-resident visitor* within the *economy of reference* (*IRTS 2008, 4.15(b)*).

Institutional sector: An aggregation of institutional units on the basis of the type of producer and depending on their principal activity and function, which are considered to be indicative of their economic behaviour.

Institutional unit: The elementary economic decision-making centre characterised by uniformity of behaviour and decision-making autonomy in the exercise of its principal function.

Intermediate consumption: *Intermediate consumption* consists of the value of the goods and services consumed as inputs by a *process of production*, excluding fixed assets whose consumption is recorded as consumption of fixed capital (*SNA 2008, 6.213*).

Internal tourism: *Internal tourism* comprises *domestic tourism* and *inbound tourism*, that is to say, the *activities* of *resident* and *non-resident visitors* within the *country of reference* as part of *domestic* or *international tourism trips* (*IRTS 2008, 2.40(a)*).

Internal tourism consumption: Internal tourism consumption is the tourism consumption of both resident and non-resident visitors within the economy of reference. It is the sum of domestic tourism consumption and inbound tourism consumption (*TSA:RMF 2008, figure 2.1*).

Internal tourism expenditure: *Internal tourism expenditure* comprises all *tourism expenditure* of *visitors*, both *resident* and *non-resident*, within the *economy of reference*. It is the sum of *domestic tourism expenditure* and *inbound tourism expenditure*. It includes acquisition of goods and services imported into the *country of reference* and sold to *visitors*. This indicator provides the most comprehensive measurement of *tourism expenditure* in the *economy of reference* (*IRTS 2008, 4.20(a)*).

International Standard Industrial Classification of All Economic Activities: The International Standard Industrial Classification of All Economic Activities (ISIC) consists of a coherent and consistent classification structure of economic activities based on a set of internationally agreed concepts, definitions, principles and classification rules. It provides a comprehensive framework within which economic data can be collected and reported in a format that is designed for purposes of economic analysis, decision-taking and policymaking. The classification structure represents a standard format to organize detailed information about the state of an economy according to economic principles and perceptions (*ISIC, Rev.4, 1*).

International tourism: *International tourism* comprises *inbound tourism* and *outbound tourism*, that is to say, the *activities* of *resident visitors* outside the *country of reference,* either as part of *domestic* or *outbound tourism trips* and the *activities* of *non-resident visitors* within the *country of reference* on *inbound tourism trips* (*IRTS 2008, 2.40(c)*).

International visitor: An international traveller qualifies as an *international visitor* with respect to the *country of reference* if: (*a*) he/she is on a *tourism trip* and (*b*) he/she is a non-resident travelling in the *country of reference* or a resident travelling outside of it (*IRTS 2008, 2.42*).

Job: The agreement between an employee and the employer defines a job and each self-employed person has a job (*SNA 2008, 19.30*).

Measurement error: Error in reading, calculating or recording numerical value.

Meetings industry: To highlight purposes relevant to the *meetings industry*, if a trip's main purpose is business/professional, it can be further subdivided into "attending meetings, conferences or congresses, trade fairs and exhibitions" and "other business and professional purposes".
The term meetings industry is preferred by the International Congress and Convention Association (ICCA), Meeting Professionals International (MPI) and Reed Travel over the acronym MICE (Meetings, Incentives, Conferences and Exhibitions) which does not recognize the industrial nature of such activities.

Metadata: Data that defines and describes other data and processes.

MICE: See *meetings industry*.

Microdata: Non-aggregated observations, or measurements of characteristics of individual units.

Mirror statistics: Mirror statistics are used to conduct bilateral comparisons of two basic measures of a trade flow and are a traditional tool for detecting the causes of asymmetries in statistics (OECD GST, p. 335).

National tourism: *National tourism* comprises *domestic tourism* and *outbound tourism*, that is to say, the *activities* of *resident visitors* within and outside the *country of reference,* either as part of *domestic* or *outbound tourism trips* (*IRTS 2008, 2.40(b)*).

National tourism consumption: National tourism consumption is the tourism consumption of resident visitors, within and outside the economy of reference. It is the sum of domestic tourism consumption and outbound tourism consumption (*TSA:RMF 2008, figure 2.1*).

National tourism expenditure: *National tourism expenditure* comprises all *tourism expenditure* of *resident visitors* within and outside the *economy of reference*. It is the sum of *domestic tourism expenditure* and *outbound tourism expenditure* (*IRTS 2008, 4.20(b)*).

Nationality: The concept of "country of residence" of a traveller is different from that of his/her nationality or citizenship (*IRTS 2008, 2.19*).

Non-monetary indicators: Data measured in physical or other non-monetary units should not be considered a secondary part of a satellite account. They are essential components, both for the information they provide directly and in order to analyse the monetary data adequately (*SNA 2008, 29.84*).

Observation unit: entity on which information is received and statistics are compiled

Outbound tourism: *Outbound tourism* comprises the *activities* of a *resident visitor* outside the *country of reference,* either as part of an *outbound tourism trip* or as part of a *domestic tourism trip* (*IRTS 2008, 2.39(c)*).

Outbound tourism consumption: Outbound tourism consumption is the tourism consumption of a resident visitor outside the economy of reference (*TSA:RMF 2008, figure 2.1*).

Outbound tourism expenditure: *Outbound tourism expenditure* is the *tourism expenditure* of a *resident visitor* outside the *economy of reference* (*IRTS 2008, 4.15(c)*).

Output: *Output* is defined as the goods and services produced by an establishment, a) excluding the value of any goods and services used in an activity for which the establishment does not assume the risk of using the products in production, and b) excluding the value of goods and services consumed by the same establishment except for goods and services used for capital formation (fixed capital or changes in inventories) or own final consumption (*SNA 2008, 6.89*).

Output (main): The *main output* of a *(productive) activity* should be determined by reference to the value added of the goods sold or services rendered (*ISIC rev.4, 114*).

Pilot survey: The aim of a pilot survey is to test the questionnaire (pertinence of the questions, understanding of questions by those being interviewed, duration of the interview) and to check various potential sources for sampling and non- sampling errors: for instance, the place in which the surveys are carried out and the method used, the identification of any omitted answers and the reason for the omission, problems of communicating in various languages, translation, the mechanics of data collection, the organization of field work, etc.

Place of usual residence: The *place of usual residence* is the geographical place where the enumerated person usually resides, and is defined by the location of his/her *principal dwelling* (Principles and recommendations for population and housing censuses of the United Nations, 2.20 to 2.24).

Probability sample: A sample selected by a method based on the theory of probability (random process), that is, by a method involving knowledge of the likelihood of any unit being selected.

Production account: The production account records the activity of producing goods and services as defined within the SNA. Its balancing item, gross value added, is defined as the value of output less the value of intermediate consumption and is a measure of the contribution to GDP made by an individual producer, industry or sector. Gross value added is the source from which the primary incomes of the SNA are generated and is therefore carried forward into the primary distribution of income account. Value added and GDP may also be measured net by deducting consumption of fixed capital, a figure representing the decline in value during the period of the fixed capital used in a production process (*SNA 2008, 1.17*).

Production: Economic *production* may be defined as an activity carried out under the control and responsibility of an institutional unit that uses inputs of labour, capital, and goods and services to produce outputs of goods or services (*SNA 2008, 6.24*.).

Purpose of a tourism trip (main): The *main purpose* of a *tourism trip* is defined as the purpose in the absence of which the *trip* would not have taken place (*IRTS 2008, 3.10*.). Classification of *tourism trips* according to the *main purpose* refers to nine categories: this typology allows the identification of different subsets of *visitors* (business visitors, transit visitors, etc.) See also *destination of a tourism trip* (*IRTS 2008, 3.14*).

Questionnaire and Questionnaire design: Questionnaire is a group or sequence of questions designed to elicit information on a subject, or sequence of subjects, from a reporting unit or from another producer of official statistics. Questionnaire design is the design (text, order, and conditions for skipping) of the questions used to obtain the data needed for the survey.

Reference period: The period of time or point in time to which the measured observation is intended to refer.

Relevance: The degree to which statistics meet current and potential users' needs.

Reliability: Closeness of the initial estimated value to the subsequent estimated value.

Reporting unit: Unit that supplies the data for a given survey instance, like a questionnaire or interview. Reporting units may, or may not, be the same as the observation unit.

Residents/non-residents: The *residents* of a country are individuals whose *centre of predominant economic interest* is located in its *economic territory*. For a country, the *non-residents* are individuals whose *centre of predominant economic interest* is located outside its *economic territory*.

Response and non-response: Response and non-response to various elements of a survey entail potential errors:

Response error: Response errors may be defined as those arising from the interviewing process. Such errors may be due to a number of circumstances, such as inadequate concepts or questions; inadequate training; interviewer failures; respondent failures.

Same-day visitor (or excursionist): A *visitor* (*domestic*, *inbound* or *outbound*) is classified as a *tourist* (*or overnight visitor*), if his/her *trip* includes an overnight stay, or as a *same-day visitor* (*or excursionist*) otherwise (*IRTS 2008, 2.13*).

Sample: A subset of a frame where elements are selected based on a process with a known probability of selection.

Sample survey: A survey which is carried out using a sampling method.

Sampling error: That part of the difference between a population value and an estimate thereof, derived from a random sample, which is due to the fact that only a subset of the population is enumerated.

Satellite accounts: There are two types of satellite accounts, serving two different functions. The first type, sometimes called an internal satellite, takes the full set of accounting rules and conventions of the SNA but focuses on a particular aspect of interest by moving away from the standard classifications and hierarchies. Examples are tourism, coffee production and environmental protection expenditure. The second type, called an external satellite, may add non-economic data or vary some of the accounting conventions or both. It is a particularly suitable way to explore new areas in a research context. An example may be the role of volunteer labour in the economy (*SNA 2008, 29.85*).

SDMX, Statistical Data and Metadata Exchange: Set of technical standards and content-oriented guidelines, together with an IT architecture and tools, to be used for the efficient exchange and sharing of statistical data and metadata *(SDMX)*.

Seasonal adjustment: Seasonal adjustment is a statistical technique to remove the effects of seasonal calendar influences on a series. Seasonal effects usually reflect the influence of the seasons themselves, either directly or through production series related to them, or social conventions. Other types of calendar variation occur as a result of influences such as number of days in the calendar period, the accounting or recording practices adopted or the incidence of moving holidays.

Self-employment job: *Self-employment jobs* are those *jobs* where remuneration is directly dependent upon the profits (or the potential of profits) derived from the goods or services produced.

Self-employed with paid employees: *Self-employed* with paid *employees* are classified as *employers.*

Self-employed without employees: *Self-employed* without *employees* are classified as *own-account workers.*

Services: Services are the result of a production activity that changes the conditions of the consuming units, or facilitates the exchange of products or financial assets. They cannot be traded separately from their production. By the time their production is completed, they must have been provided to the consumers (*SNA 2008, 6.17*).

Social transfers in kind: A special case of transfers in kind is that of social transfers in kind. These consist of goods and services provided by general government and non-profit institutions serving households (NPISHs) that are delivered to individual households. Health and education services are the prime examples. Rather than provide a specified amount of money to be used to purchase medical and educational services, the services are often provided in kind to make sure that the need for the services is met. (Sometimes the recipient purchases the service and is reimbursed by the insurance or assistance scheme. Such a transaction is still treated as being in kind because the recipient is merely acting as the agent of the insurance scheme) (*SNA 2008, 3.83*).

Standard classification: Classifications that follow prescribed rules and are generally recommended and accepted.

Statistical error: The unknown difference between the retained value and the true value.

Statistical indicator: A data element that represents statistical data for a specified time, place, and other characteristics, and is corrected for at least one dimension (usually size) to allow for meaningful comparisons.

Statistical metadata: Data about statistical data.

Statistical unit: Entity about which information is sought and about which statistics are compiled. Statistical units may be identifiable legal or physical entities or statistical constructs.

Survey: An investigation about the characteristics of a given population by means of collecting data from a sample of that population and estimating their characteristics through the systematic use of statistical methodology.

System of National Accounts: The System of National Accounts (SNA) is the internationally agreed standard set of recommendations on how to compile measures of economic activity in accordance with strict accounting conventions based on economic principles. The recommendations are expressed in terms of a set of concepts, definitions, classifications and accounting rules that comprise the internationally agreed standard for measuring indicators of economic performance. The accounting framework of the SNA allows economic data to be compiled and presented in a format that is designed for purposes of economic analysis, decision-taking and policymaking (*SNA 2008, 1.1*).

Total tourism internal demand: Total tourism internal demand, is the sum of internal tourism consumption, tourism gross fixed capital formation and tourism collective consumption (*TSA:RMF 2008, 4.114*). It does not include outbound tourism consumption.

Tourism: *Tourism* refers to the *activity* of *visitors* (*IRTS 2008, 2.9*).

Tourism characteristic activities: *Tourism characteristic activities* are the activities that typically produce *tourism characteristic products*. As the industrial origin of a product (the ISIC industry that produces it) is not a criterion for the aggregation of products within a similar CPC category, there is no strict one-to-one relationship between products and the industries producing them as their principal outputs (*IRTS 2008, 5.11*).

Tourism characteristic products: Tourism characteristic products are those that satisfy one or both of the following criteria:

(a) Tourism expenditure on the product should represent a significant share total tourism expenditure (share-of-expenditure/demand condition);

(b) Tourism expenditure on the product should represent a significant share of the supply of the product in the economy (share-of-supply condition). This criterion implies that the supply of a tourism characteristic product would cease to exist in meaningful quantity in the absence of visitors (*IRTS 2008, 5.10*).

Tourism connected products: Their significance within tourism analysis for the economy of reference is recognized although their link to tourism is very limited worldwide. Consequently, lists of such products will be country-specific (*IRTS 2008, 5.12*).

Tourism consumption: Tourism consumption has the same formal definition as tourism expenditure. Nevertheless, the concept of tourism consumption used in the Tourism Satellite Account goes beyond that of tourism expenditure. Besides the amount paid for the acquisition of consumption goods and services, as well as valuables for own use or to give away, for and during tourism trips, which corresponds to monetary transactions (the focus of tourism expenditure), it also includes services associated with vacation accommodation on own account, tourism social transfers in kind and other imputed consumption. These transactions need to be estimated using sources different from information collected directly from the visitors, such as reports on home exchanges, estimations of rents associated with vacation homes, calculations of financial intermediation services indirectly measured (FISIM), etc. (*TSA:RMF 2008, 2.25*).

Tourism direct gross domestic product: Tourism direct gross domestic product (TDGDP) is the sum of the part of gross value added (at basic prices) generated by all industries in response to internal tourism consumption plus the amount of net taxes on products and imports included within the value of this expenditure at purchasers' prices (*TSA:RMF 2008, 4.96*).

Tourism direct gross value added: Tourism direct gross value added (TDGVA) is the part of gross value added generated by tourism industries and other industries of the economy that directly serve visitors in response to internal tourism consumption (*TSA:RMF 2008, 4.88*).

Tourism expenditure: *Tourism expenditure* refers to the amount paid for the acquisition of consumption goods and services, as well as valuables, for own use or to give away, for and during tourism trips. It includes expenditures by visitors themselves, as well as expenses that are paid for or reimbursed by others (*IRTS 2008, 4.2*).

Tourism industries: The *tourism industries* comprise all *establishments* for which the *principal activity* is a *tourism characteristic activity. Tourism industries* (also referred to as *tourism activities*) are the activities that typically produce *tourism characteristic products*. The term *tourism industries* is equivalent to *tourism characteristic activities* and the two terms are sometimes used synonymously in the *IRTS 2008, 5.10, 5.11* and *figure 5.1*.

Tourism ratio: For each variable of supply in the Tourism Satellite Account, the tourism ratio is the ratio between the total value of tourism share and total value of the corresponding variable in the Tourism Satellite Account expressed in percentage form (*TSA:RMF 2008, 4.56*). (See also **Tourism share**).

Tourism Satellite Account: The *Tourism Satellite Account* is the second international standard on tourism statistics (*Tourism Satellite Account: Recommended Methodological Framework 2008 – TSA:RMF 2008*) that has been developed in order to present economic data relative to *tourism* within a framework of internal and external consistency with the rest of the statistical system through its link to the System of National Accounts. It is the basic reconciliation framework of tourism statistics. As a statistical tool for the economic accounting of tourism, the TSA can be seen as a set of 10 summary tables, each with their underlying data and representing a different aspect of the economic data relative to tourism: inbound, domestic tourism and outbound tourism expenditure, internal tourism expenditure, production accounts of tourism industries, the Gross Value Added (GVA) and Gross Domestic Product (GDP) attributable to tourism demand, employment, investment, government consumption, and non-monetary indicators.

Tourism Satellite Account aggregates: The compilation of the following aggregates, which represent a set of relevant indicators of the size of tourism in an economy is recommended (*TSA:RMF 2008, 4.81*):

- Internal tourism expenditure;
- Internal tourism consumption;
- Gross value added of tourism industries (GVATI);
- Tourism direct gross value added (TDGVA);
- Tourism direct gross domestic product (TDGDP).

Tourism sector: The tourism sector, as contemplated in the TSA, is the cluster of production units in different industries that provide consumption goods and services demanded by visitors. Such industries are called tourism industries because visitor acquisition represents such a significant share of their supply that, in the absence of visitors, their production of these would cease to exist in meaningful quantity.

Tourism share: Tourism share is the share of the corresponding fraction of internal tourism consumption in each component of supply (*TSA:RMF 2008, 4.51*). For each industry, the tourism share of output (in value), is the sum of the tourism share corresponding to each product component of its output (*TSA:RMF 2008, 4.55*). (See also **Tourism ratio**).

Tourism single-purpose consumer durable goods: Tourism single-purpose consumer durables is a specific category of consumer durable goods that include durable goods that are used exclusively, or almost exclusively, by individuals while on tourism trips (*TSA:RMF 2008, 2.41* and Annex 5).

Tourism trip: Trips taken by *visitors* are *tourism trips* (*IRTS 2008, 2.29*).

Tourist (or overnight visitor): A *visitor* (*domestic*, *inbound* or *outbound*) is classified as a *tourist* (or *overnight visitor*), if his/her *trip* includes an overnight stay, or as a *same-day visitor* (or *excursionist*) otherwise (*IRTS 2008, 2.13*).

Travel / traveller: *Travel* refers to the *activity* of *travellers*. A *traveller* is someone who moves between different geographic locations, for any purpose and any duration (*IRTS 2008, 2.4*). The visitor is a particular type of traveller and consequently tourism is a subset of travel.

Travel group: A *travel group* is made up of individuals or *travel parties* travelling together: examples are people travelling on the same package tour or youngsters attending a summer camp (*IRTS 2008, 3.5*).

Travel item (in balance of payments): *Travel* is an item of the goods and services account of the balance of payments: travel credits cover goods and services for own use or to give away acquired from an *economy* by *non-residents* during *visits* to that *economy*. Travel debits cover goods and services for own use or to give away acquired from other *economies* by *residents* during *visits* to other economies (*BPM6, 10.86*).

Travel party: A *travel party* is defined as *visitors* travelling together on a *trip* and whose expenditures are pooled (*IRTS 2008, 3.2*).

Trip: A trip refers to the travel by a person from the time of departure from his/her usual residence until he/she returns: it thus refers to a round trip. Trips taken by visitors are tourism trips.

Usual environment: The *usual environment* of an individual, a key concept in *tourism*, is defined as the geographical area (though not necessarily a contiguous one) within which an individual conducts his/her regular life routines (*IRTS 2008, 2.21*).

Usual residence: The place of *usual residence* is the geographical place where the enumerated person usually resides (Principles and recommendations for population and housing censuses of the United Nations, 2.16 to 2.18).

Vacation home: A *vacation home* (sometimes also designated as a holiday home) is a secondary *dwelling* that is visited by the members of the household mostly for purposes of recreation, vacation or any other form of leisure (*IRTS 2008, 2.27*).

Valuables: *Valuables* are produced goods of considerable value that are not used primarily for purposes of production or consumption but are held as stores of value over time (*SNA 2008, 10.13*).

Visit: A *trip* is made up of *visits* to different places. The term "tourism visit" refers to a stay in a place visited during a *tourism trip* (*IRTS 2008, 2.7* and *2.33*).

Visitor: A *visitor* is a *traveller* taking a trip to a main destination outside his/her *usual environment*, for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited (*IRTS 2008, 2.9*). A *visitor* (*domestic*, *inbound* or *outbound*) is classified as a *tourist* (or *overnight visitor*), if his/her *trip* includes an overnight stay, or as a *same-day visitor* (or *excursionist*) otherwise (*IRTS 2008, 2.13*).

Annex 1. Proposed basic questions to measure flows and expenditure associated to inbound tourism

Survey point:

List of all international entry/departure points	Tick one
AIR:	
……	
……	
WATER	
……	
……	
LAND	
……	
……	

Date of interview: ../../….

CORE MODULE

1. What is your country of residence?

[This country] (tick box)		***End of interview***
Other country (please name)	……	***Continue interview***

2. What is your main purpose for departing [this country]?

Purpose	Tick box	
Visitor departing		***Continue interview***
Student returning home		
Hospital patient returning home		
Emmigration		***End of interview***
Border worker		
Seasonal worker		
Diplomat departing		
In transit (not entered legal territory)		
[Other reason relevant to this country, e.g. nomad]		

3. Demographics of interviewee:

Sex	***Tick box***

Female	

Age	***Tick box***
15-24	
25-34	
35-44	
45-54	
55-64	
65+	

[NOTE: SOME COUNTRIES MIGHT WISH TO ASK FURTHER INFORMATION ABOUT THE INTERVIEWEE, SUCH AS ECONOMIC ACTIVITY STATUS, OCCUPATION, ANNUAL HOUSEHOLD INCOME AND EDUCATION LEVEL.]

4. What was your main reason for your visit to this country?

Reason	**Tick box**	
1. Holiday, leisure and recreation		***Go to Question 7***
2. Visiting friends and relatives		
3. Education and training		***Go to Question 5***
4. Health and medical care		***Go to Question 6***
5. Religion/pilgrimage		***Go to Question 7***
6. Shopping		
7. Transit		
8. Other		
9. Business and professional		

5. How long is your educational course in [this country]?

Total length of course	**Tick box**	
Up to one year		***Go to question 7***
More than one year		***End of interview***

6. How long is your medical treatment in [this country]?

Total length of course	**Tick box**	
Up to one year		***Go to question 7***
More than one year		***End of interview***

7. How many nights did you spend in [this country]?

	If more than 365 (one year) end of interview

MODULE 1: MODE OF TRANSPORT

8. How are you travelling to/from [this country]?

Mode of transport	***Tick box***
Air	
Scheduled flight	
Unscheduled flight	
Private aircraft	
Water	
Passenger line/ferry	
Cruise ship	
Yacht	
Land	
Railway	
Motor coach/bus/other public transport	
Taxi/ vehicle rented with driver	
Vehicle rented without driver	
Private vehicle	
Other (e.g. bicycle, motorcycle, horse, etc.)	

MODULE 2: ACCOMMODATION

9. What types of accommodation did you stay in while in [this country] and how many nights did you stay in each?

Types of accommodation	***Number of nights***
1. Hotels and similar	
2. Tourist campsites	
3. Other commercial establishments	
4. With relatives/friends	
5. Own second/holiday home	
6. Other types of accommodation relevant to this country	
Total number of nights:	

MODULE 3: ACTIVITIES WHILE IN [THIS COUNTRY]

10. What regions did you visit while in [this country] and how many nights did you spend in each one?

Regions (as relevant in this country)	***Number of nights***
1.	
2.	
3.	

Total number of nights:	

11. What activities did you undertake while in [this country]? (Please tick all relevant activities.)

Activities (as relevant in this country)	***Tick box***
1. ……	
2. ……	
3. ……	

MODULE 4: EXPENDITURE

12. Please identify the currency in which expenditure questions are being answered:

13. Before visiting this country did you spend money on public transport to/from this country?

YES	
NO	

If YES, what was the name of the transport company you travelled with?

……

14.a Did you come to this country on a package tour?

YES		***If YES, go to question 14.b***
NO		***If NO, go to question 15.***

14.b What was included in the package?

Components of package	***Tick box***
International travel to/from [this country]	
Accommodation in [this country]	
Meals in [this country]	
Transport within [this country]	
Tours within [this country]	
Car rental within [this country]	
Other services within [this country]. Please identify ……..……..	

14.c How much did you pay for this package?

15.a Before visiting [this country] did you purchase any other services you received in this country?

YES		***Go to question 15.b***
NO		***Go to question 16.***

15.b What services received in [this country] did you purchase before visiting [this country] and how much did you spend on them?

Services purchased before visiting [this country]	***Tick box***	***How much spent***
Accommodation in [this country]		
Meals in [this country]		
Transport within [this country]		
Tours within [this country]		
Car rental within [this country]		
Other services within [this country]. Please identify ……..……..		

16. How much did you spend while in [this country] on the following items?

Item	***How much spent***
International travel, package holidays and package tours	
Accommodation	
Food and drink	
Local transport	
International transport	
Recreation, culture and sporting activities	
Shopping	
Others	

[NOTE: COUNTRIES MAY WISH TO ADD ITEMS TO THIS LIST WHERE EXPENDITURE IS SIGNIFICANT ON SUCH ITEMS.]

17. How many people in your travel party, including yourself, are covered by the expenditure you have identified?

Number of people covered by expenditure:	

18.a Did any other person/organisation (e.g. friend, relative, employer, government agency, etc.) spend any other money on goods or services you, and your travel party) received in [this country]?

YES		***If YES, go to question 18.b***
NO		***If NO, end of questionnaire***

18.b How much was spent on these goods and services?

Item	***How much spent***
International travel, package holidays and package tours	
Accommodation	
Food and drink	
Local transport	
International transport	
Recreation, culture and sporting activities	
Shopping	
Others	

Example questionnaire for illustration

A similar questionnaire (with few adjustments) could also be used on departure, to obtain information of expected tourism behaviour of residents abroad, or on arrival, to obtain information on actual tourism behaviour of residents abroad

BORDER SURVEY / QUESTIONNAIRE

5 parts:

A. Travellers

B. Means of transport

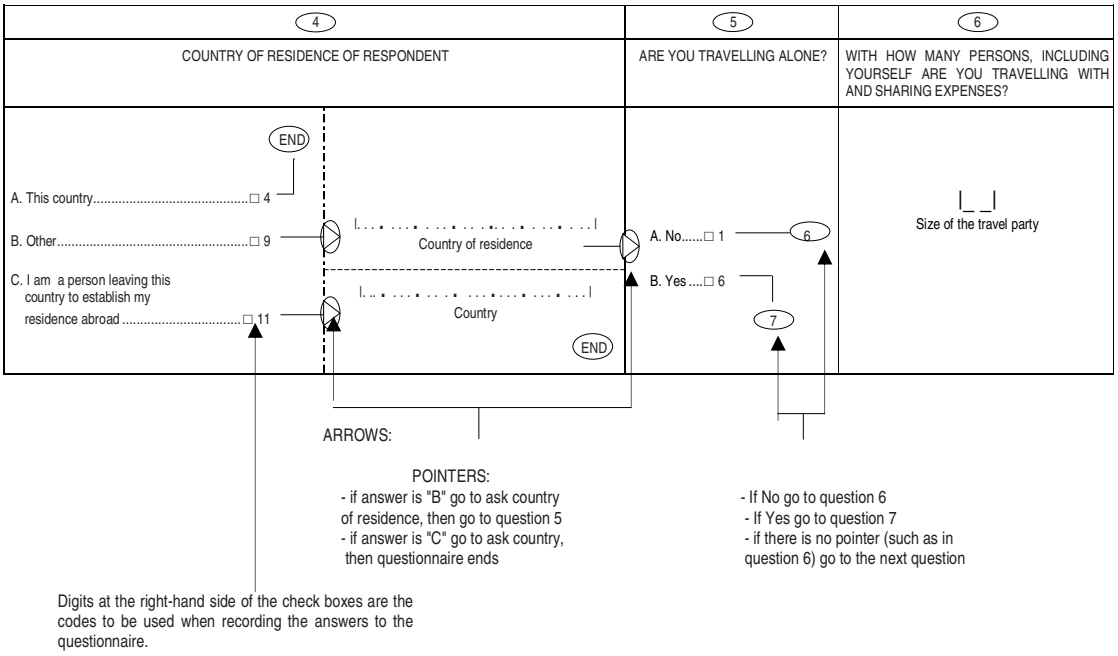
C. About your stay

D. Acquisition of services in your country or other country before arriving in our country

E. Acquisition of goods and services in our country booked or paid either before, during or after the trip

In order to understand the symbols (numbered or with arrows) included throughout the questionnaire, the following example illustrates how to proceed:

A. TRAVELLERS



A. TRAVELLERS

(1)	(2)	(3)
SURVEY POINT	DEPARTURE DATE	NATIONALITY OF RESPONDENT (IF RESPONDENT HAS MORE THAN ONE, INDICATE THE ONE USED TO ENTER THE COUNTRY)
|. . . . . |	1. Day..... |_ _|	|. . . . . |
	2. Month..... |_ _|	Nationality
	3. Year ..... |_ _ _ _|	

Comment on item 3: This is important information in order to cross check with migration statistics or if you want to study tourism behaviour and characteristics of person of certain nationalities.

(4)		(5)	(6)
COUNTRY OF RESIDENCE OF RESPONDENT		ARE YOU TRAVELLING ALONE?	WITH HOW MANY PERSONS, INCLUDING YOURSELF ARE YOU TRAVELLING WITH AND SHARING EXPENSES?
A. This country ..... □ 4 → END	|. . . . . | Country of residence	A. No .....□ 1 → 6	|_ _| Size of the travel party
B. Other ..... □ 9	|. . . . . | Country	B. Yes.....□ 6 → 7	
C. I am a person leaving this country to establish my residence abroad ..... □ 11			

Comment on item 6: Travelling together not necessarily means that all or any expenses are shared, but rather that decisions concerning the trip are shared. It must be made clear to the interviewed that the number of persons sharing expenses is asked for.
Cruise ship passengers will not be included. They require a different type of questionnaire

B. MEANS OF TRANSPORT

(7)	(8)		
YOU ARE GOING TO LEAVE OUR COUNTRY...	MEANS OF TRANSPORT		
A. By land..... □ → 8		Rented vehicle	
B. By plane..... □ → 9		A. Yes	B. No
C. By ship/ferry/boat ..... □ → 11	A. Bicycle.....	□ 02	□ 07
D. By train ..... □ → 11	B. Motorbike.....	□ 03	□ 08
	C. Car.....	□ 04	□ 09
	D. Monovolume.....	□ 11	□ 16
	E. Van.....	□ 12	□ 17
	F. Caravan.....	□ 13	□ 18
	H. Lorries and other vehicles of commercial use	□ 21	
	I. Regular Bus	□ 22	
	J. Chartered Bus	□ 23	

Comment on item 7: Cruise ship passengers will not be included and they should fill in a different type of questionnaire.

9	10	11
DETAILS OF THE FLIGHT YOU ARE TAKING	AIRPORT OF FINAL DESTINATION OF THE TRIP	ARE YOU LEAVING OUR COUNTRY IN ORDER TO GO BACK DIRECTLY TO YOUR COUNTRY OF RESIDENCE? IF NOT, INDICATE THE COUNTRIES YOU EXPECT TO VISIT, AS WELL AS THE NUMBER OF NIGHTS YOU EXPECT TO SPEND IN EACH OF THEM BEFORE REACHING YOUR COUNTRY OF RESIDENCE
A. Private flight ..... □ 1 ..... 10 B. Commercial flight ..... □ 6 Airline |_ _ _ _ _ _ _|	Airport	A. No.....□ 3 B. Yes ....□ 8 12 Destination country / Number of nights 1. 2. 3. 4.

Comment on item 9-11: Countries might consider to ask further details to identify expenditure on air travel corresponds to inbound tourism consumption (changing planes, code sharing, etc.).
Additional information that could be requested are: gender, age group (define groups separating very young children, and retirees), education

C. ABOUT YOUR STAY

12	13	14	15
DATE OF ARRIVAL	DID YOU ARRIVE IN OUR COUNTRY...	DETAILS OF THE FLIGHT YOU ARRIVED IN	DID YOU ARRIVE FROM YOUR COUNTRY OF RESIDENCE? IF NOT, INDICATE THE COUNTRIES VISITED, AS WELL AS THE NIGHTS SPENT IN EACH OF THEM BEFORE REACHING OUR COUNTRY
1. Day.....|_ _| 2. Month.....|_ _| 3. Year.....|_ _|	A. By land.....□ 41 B. By plane.....□ 42 C. By ship/ferry/boat.....□ 43 D. By train.....□ 44 14 15	A. Private flight ..... □ 1 15 B. Commercial flight..... □ 6 Airline Flight number	A. No .....□ 2 B. Yes....□ 7 16 Country visited / Number of flights 1. 2. 3. 4.

16
ARE YOU....?
(EXCLUDING TRAVELLERS BEING NOT VISITORS)

	1. No	2. Yes		1. No	2. Yes
A. A diplomat, on duty consular staff or military personnel (or accompanying person thereof) of foreign governments, stationed in this country	□ 11	□ 21	E. A worker that has been employed by a resident entity in this country		
B. A nomad	□ 12	□ 22	E.1. Border worker	□ 15	□ 25
C. A refugee or displaced person	□ 13	□ 23	E.2. Seasonal worker	□ 16	□ 26
D. A crew member on public modes of transport	□ 14	□ 24	E.3. Other	□ 17	□ 27
			F. Other travellers	□ 28	

BoP (17) BoP

Comment on item 16: End points (BoP) can be used to collect data for Balance of Payment (BoP) purposes.

17	18	19
NUMBER OF NIGHTS SPENT IN OUR COUNTRY	REASONS FOR YOUR ONE-DAY STAY IN OUR COUNTRY (Several answers possible).	CODE OF THE MAIN REASON FOR YOUR ONE DAY STAY
A. None (am in transit to / from other countries) ..... □ 01 → 8 B. None (am just visiting your country for one day) ..... □ 02 → 18 C. One or more nights ..... □ 03 |_ _ _| → 21 Number of nights	1. Personal 1.1. Holidays, leisure and recreation ..... □ 01 1.2. Visiting friends and relatives ..... □ 02 1.3. Education and training ..... □ 03 1.4. Health and medical care ..... □ 04 1.5. Religion / pilgrimage ..... □ 05 1.6. Shopping ..... □ 06 1.7. Transit ..... □ 07 2. Business and professional ..... □ 09 2.1 Attending meeting and conference 2.2 trade fairs and exhibitions 2.3 lectures and conference etc.... (each country should decide which are of its interest	|_ _| Code

Comment on item 18: "Business and professional" can be further detailed in particular to identify *Mode 4 — Presence of natural persons in trade in services statistics.*

20	21	22
TRIP FREQUENCY	REASONS FOR YOUR ONE-DAY STAY IN OUR COUNTRY (Several answers possible).	CODE OF THE MAIN REASON FOR YOUR OVERNIGHT STAY
A. Every day ..... □ 8 B. Once a week ..... □ 9 C. Less frequency ..... □ 11 → 24	1. Personal 1.1. Holidays, leisure and recreation ..... □ 01 1.2. Visiting friends and relatives ..... □ 02 1.3. Education and training ..... □ 03 1.4. Health and medical care ..... □ 04 1.5. Religion / pilgrimage ..... □ 05 1.6. Shopping ..... □ 06 1.7. Transit ..... □ 07 2. Business and professional ..... □ 09 2.1 Attending meeting and conference 2.2 trade fairs and exhibitions 2.3 lectures and conference etc.... (each country should decide which are of its interest	|_ _| Code

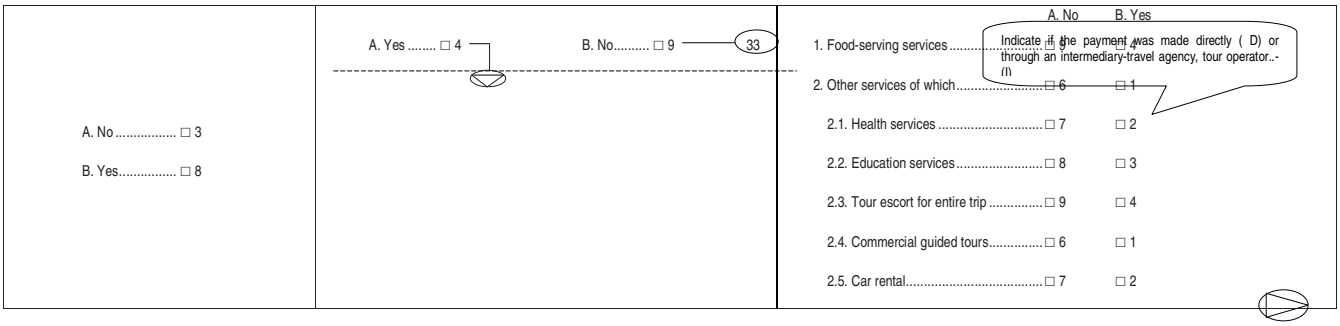
Comment on item 21: "Business and professional" can be further detailed in particular to identify *Mode 4 — Presence of natural persons in trade in services statistics.*

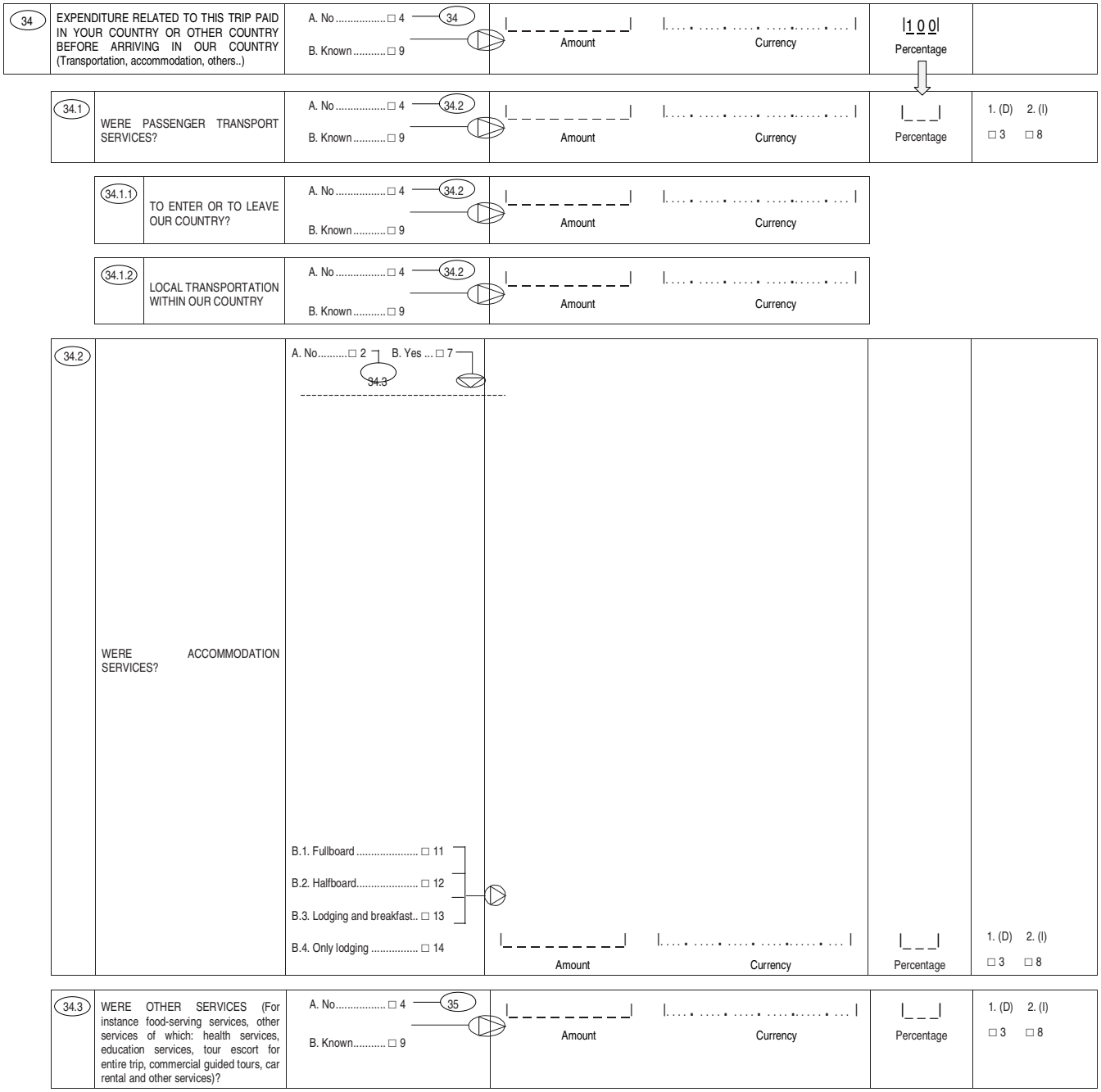
23							24
OVERNIGHT STAYS IN THE PLACE(S) VISITED (REGION, MUNICIPALITY OR OTHER SUB-NATIONAL GEOGRAPHICAL LOCATION AND THE CORRESPONDING NIGHTS ACCORDING TO THE TYPE OF ACCOMMODATION							WHICH OF THE FOLLOWING ACTIVITIES HAVE YOU TAKEN PART IN OR SPENT TIME DOING IN OUR COUNTRY? (Several answer possible)
1. Place visited	2. Nights						
	2.1. Hotels and similar	2.2. Tourist campsites	2.3. Other commercial establishments	2.4. With family and relatives	2.5. Owned second home	2.6. Total nights spent at this place	
1. |....|	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	1. Professional activities ☐ 01
2. |....|	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	2. Visiting friends / relatives ☐ 02
3. |....|	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	3. Learning our language ☐ 03
4. |....|	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	4. Attend cultural event ☐ 04
5. |....|	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	5. Attend festival / fair ☐ 05
6. |....|	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	6. Attend sport event ☐ 06
7. |....|	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	7. Sightseeing ☐ 07
8. |....|	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	8. Visiting museums ☐ 08
9. |....|	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	9. Visiting ancient monument ☐ 09
10 |....|	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	_ _ |	10. Visiting castle / church ☐ 10
11. TOTAL						_ _ |	11. Visiting modern architecture ☐ 11
							12. Visiting small towns / villages ☐ 12
							13. Visiting amusement park ☐ 13
							14. Visiting zoo ☐ 14
							15. Visiting heritage sights ☐ 15
							19. Water cure ☐ 19
							20. Dine in high quality restaurants ☐ 20
							21. Participate in nightlife ☐ 21
							22. Pilgrimage ☐ 22
							23. Other activities
							23.1. Swimming ☐ 23
							23.2. Go to the beach. ☐ 24
							23.3. Boating / Sailing / Windsurfing ☐ 25
							23.4. Hunting / Fishing ☐ 26
							23.5. Hiking / Trekking ☐ 27
							23.6. Canoeing / Rafting ☐ 28
							23.7. Golf / Tennis ☐ 29
							23.8. Horseback riding ☐ 30
							23.9. Skiing ☐ 31
							23.10. Visiting national parks ☐ 32

D. ACQUISITION OF SERVICES IN YOUR COUNTRY OR OTHER COUNTRY BEFORE ARRIVING IN OUR COUNTRY

25	26	27	28	29	30
THE INFORMATION CONCERNING EXPENDITURE WILL REFER TO...	NUMBER OF NIGHTS SPENT IN OUR COUNTRY	ARE YOU TRAVELLING ON A PACKAGE TOUR?	PRICE PAID FOR THE PACKAGE TOUR	DOES IT INCLUDE ROUND TRIP TRANSPORTATION	DOES IT INCLUDE ONE WAY TRAVEL?
A. You alone ☐ 2 → 26	A. None (I am in transit to / from other countries) ☐ 01 → 35	A. No ☐ 3 → 34	A. Unknown ☐ 4 → 34	A. No ☐ 3 → 30	A. No ☐ 2
B. Other persons you are travelling with ☐ 7 → |_ _ _| Party size (including yourself)	B. None (I am just visiting your country for one day). ☐ 02 → 27	B. Yes ☐ 8 → 28	B. Known ☐ 9 → Amount |_ _ _ _ _ _ _ _| Currency |....|	B. Yes ☐ 8 → 31	B. Yes ☐ 7
	C. One or more nights ☐ 03				

31	32	33
DOES IT INCLUDE LOCAL TRANSPORTATION WITHIN OUR COUNTRY?...	DOES IT INCLUDE ACCOMMODATION	DOES IT INCLUDE OTHER SERVICES SUCH AS:?





Countries are encouraged to use a more detail break-down of

Expenditure items (by value/currency and for the number of persons):

- Package
- Goods and services related to the trip (except services provided in this country) purchased in country of residence or other country
- Accommodation
- Transportation
    - International transportation
    - local transportation
- Food and beverage
- Cultural products
- Sports and recreation products
- Health related goods and services
- Souvenirs; gifts etc,
- Other goods and services

Who paid for the items:

- paid by traveller
- paid by other

E. ACQUISITION OF GOODS AND SERVICES IN OUR COUNTRY BOOKED OR PAID EITHER BEFORE, DURING OR AFTER THE TRIP

35	TRIP RELATED EXPENSES PAIS IN OUR COUNTRY (Transportation, accommodation, others…)	A. No ..... □ 4 → END B. Known ..... □ 9	_ _ _ _ _ _ _ _ _ Amount	. . . . . . Currency	|1 0 0| Percentage
35.1	WERE PASSENGER TRANSPORT SERVICES?	A. No ..... □ 4 → 35.2 B. Known ..... □ 9	_ _ _ _ _ _ _ _ _ Amount	. . . . . . Currency	_ _ _ Percentage
35.1.1	TO LEAVE OUR COUNTRY?	A. No ..... □ 4 → 35.1.2 B. Known ..... □ 9	_ _ _ _ _ _ _ _ _ Amount	. . . . . . Currency	
35.1.2	LOCAL TRANSPORTATION WITHIN OUR COUNTRY	A. No ..... □ 4 → 35.2 B. Known ..... □ 9	_ _ _ _ _ _ _ _ _ Amount	. . . . . . Currency	
35.2	WERE ACCOMMODATION SERVICES?	A. No ..... □ 2 → 35.3 ; B. Yes ... □ 7 B.1. Fullboard ..... □ 11 B.2. Halfboard ..... □ 12 B.3. Lodging and breakfast . □ 13 B.4. Only lodging ..... □ 14	_ _ _ _ _ _ _ _ _ Amount	. . . . . . Currency	_ _ _ Percentage 1. (D) 2. (I) □ 3 □ 8
35.3	WERE OTHER SERVICES (For instance food-serving services, other services of which: health services, education services, tour escort for entire trip, commercial guided tours, car rental and other services)?	A. No ..... □ 4 → 35.4 B. Known ..... □ 9	_ _ _ _ _ _ _ _ _ Amount	. . . . . . Currency	_ _ _ Percentage 1. (D) 2. (I) □ 3 □ 8
35.4	WERE OTHER GOODS (Gifts, souvenirs and other goods)?	A. No ..... □ 4 → END B. Known ..... □ 9	_ _ _ _ _ _ _ _ _ Amount	. . . . . . Currency	_ _ _ Percentage 1. (D) 2. (I) □ 3 □ 8

END THANK YOU FOR YOUR COOPERATION

Swedish visitor survey

By responding to this survey, you will help the Swedish Agency for Economic and Regional Growth to get a better understanding of our foreign visitors to Sweden. Thank you for your help!

1. Which country do you live in?
   1☐ Denmark 2☐ Norway 3☐ Finland 4☐ Another country – please specify:.....

2. On which date did you come to Sweden? ☐☐☐☐☐☐ (Y Y M M D D)

3. How many people were travelling in your party, including yourself? .....people of whom.....were children under 18 years old.

4. What was the main reason for your visit to Sweden? (Choose one response only)
   1☐ Employed in Sweden. **Stop here – thank you for taking part!**
   2☐ Embassy or military personnel. **Stop here – thank you for taking part!**
   3☐ Professional driver. **Stop here – thank you for taking part!**
   4☐ Boat/air/train crew. **Stop here – thank you for taking part!**
   5☐ In transit at airport (transfer – onward journey to another country). **Stop here – thank you for taking part!**

   Private travel
   6☐ Visiting relatives/friends
   7☐ Leisure travel/holiday
   8☐ Studying
   9☐ Going to your own second home/apartment
   10☐ Shoppingtrip
   11☐ Another reason – please specify: .....

   Business travel
   12☐ Individual business travel (e.g. visiting supplier or customer)
   13☐ Conference/congress/seminar (individual participation)
   14☐ Corporate meeting/business meeting (together with others from your company)
   15☐ Trade fair/event
   16☐ Incentive/reward travel (your company/organisation is paying for the trip)

5. Which of the following activities did you do while in Sweden? (You can choose more than one alternative)
   1☐ Restaurants/bars/cafés/snack kiosks
   2☐ Shopping
   3☐ Concerts/music festivals
   4☐ Buildings/castles/monuments, etc.
   5☐ Sightseeing/excursions
   6☐ Attended a cultural event
   7☐ Fishing
   8☐ Hiking/trekking in the forest/ mountains
   9☐ Visiting national parks/Naturum
   10☐ Cycling/mountain biking
   11☐ Horserelated activity
   12☐ Downhill skiing
   13☐ Cross-country skiing
   14☐ Ice skating
   15☐ Boating (e.g. sailing, motor boating, canoeing, etc.)
   16☐ Golf
   17☐ Hunting
   18☐ Attended a sporting event
   19☐ Theatre
   20☐ Family event (christening, wedding, etc.)
   21☐ Museum
   22☐ Zoo/amusement park
   23☐ Sun and beach
   24☐ Training/lecture/seminar
   25☐ Company visit
   26☐ Spa/wellness
   27☐ Disco/night club
   28☐ Other – please specify:.....

6. State the number of nights spent per type of accommodation during your visit to Sweden.

Hotel/guest house	.....nights	Own second home/apartment/cottage	.....nights
Relatives/friends	.....nights	Rented home/apartment/cottage	.....nights
Youth hostel	.....nights	Bed & breakfast/farm	.....nights
Caravan/motorhome/tent/ cottage at paying campsite	.....nights	Cruise liner/ferry	.....nights
		Other accommodation-please specify:	.....nights
Caravan/motorhome/tent/ cottage at non-paying campsite	.....nights	☐ Did not stay overnight	

7. What was your main means of transport when arriving in Sweden? (Choose one response only)
   1☐ Air
   2☐ Car
   3☐ Ferry (with vehicle)
   4☐ Ferry (foot passenger)
   5☐ Train
   6☐ Bus
   7☐ Cruise
   8☐ Other

8. What means of transport did you use within Sweden? (You can choose more than one alternative)
   1☐ Air
   2☐ Car
   3☐ Rental car
   4☐ Camper/caravane
   5☐ Train
   6☐ Bus
   7☐ Public transport
   8☐ Taxi
   9☐ Boat
   10☐ Motorbike
   11☐ Bicycle
   12☐ Other

Continues on reverse!

9. State how much **you** have paid in total for this trip **before** coming to Sweden (e.g. package trip= travel+ accommodation, etc).

☐ I did not pay for anything before arriving

A package trip; mark what was included with a cross (X) and state the total cost	**No package trip** – bought e.g. travel and accommodation from different suppliers; state the amount for each relevant row	State the currency in which you paid
☐ Getting here	Getting here:.....	
☐ Accommodation	Accommodation:.....	
☐ Restaurants/Dining	Restaurants/Dining:.....	
☐ Car rental	Car rental:.....	
☐ Transport (train and bus tickets, taxi, etc.)	Transport (train and bus tickets, taxi, etc.):.....	
☐ Activities (recreation/sport/culture, etc.)	Activities (recreation/sport/culture, etc.):.....	
☐ Other	Other:.....	
Total cost..... State the currency in which you paid.....		

10. State how much **you** have paid in total for this trip **during** your stay in Sweden.

☐ I have not paid for anything during my stay

State the amount for each relevant row	State the currency in which you paid
Accommodation:.....	
Restaurants:.....	
Car rental:.....	
Transport (train and bus tickets, taxi, etc.):.....	
Fuel:.....	
Shopping (including groceries, etc.):.....	
Activities (recreation/sport/culture, etc.):.....	
Other:.....	

11. Where have you stayed during your visit to Sweden? (You can choose more than one alternative)

1☐ (1) Southern Sweden
2☐ (2) Western Sweden
3☐ (3) Småland and islands
4☐ (4) Eastern Central Sweden
5☐ (5) Stockholm County
6☐ (6) Northern Central Sweden
7☐ (7) Central Norrland
8☐ (8) Upper Norrland
9☐ Central Stockholm
10☐ Central Gothenburg
11☐ Central Malmö

12. Overall, how satisfied were you with your stay in Sweden?

Very dissatisfied	Dissatisfied	Neither nor	Satisfied	Very satisfied
1 ☐	2 ☐	3 ☐	4 ☐	5 ☐

13. How often do you travel to Sweden?

1☐ Several times a year
2☐ Once a year
3☐ Every other year/every three years
4☐ Less often
5☐ This is my first time in Sweden

14. How often do you travel abroad on holiday?

1☐ Several times a year
2☐ Once a year
3☐ Every other year/every three years
4☐ Less often

15. Are you…? 1☐ Male 2☐ Female

16. Your age? .....years

Thank you for taking part!

TILLVÄXT VERKET

Annex 2. Tourism expenditure vs tourism consumption

4.70. 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.

4.71. 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 a trip	TE	Yes	
Cost less partial payment by the beneficiary for the individual services provided by Government and NPISH			
- education	TC	Yes	

Concepts	Classification (conceptual)	Actual inclusion	Comment
- 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	TE	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	TE	Yes	On assumption that "invitations" means "value of services provided or paid for by"

Annex 3. Labour Force Survey Questionnaire of Lithuania

Approved by the Order No 246 adopted on
10 December 2004 by the Director General
of the Department of Statistics to the Government
of the Republic of Lithuania

STATISTICS LITHUANIA
Employment Statistics Division
Gedimino Ave 29, 2746 Vilnius

LABOUR FORCE SAMPLE SURVEY GU – 01

Territory code	
Name of municipality, local administrative, village	
Household No.	
Respondent's code	
Sex	male 1 female 2
Date of birth (day, month, year)	
Personal code	

Reference week No. quarter

2005 year ____ month ____ day – ____ month ____ day

To be submitted: by 15 day after the end of month

Persons interviewed: 15 years old and over

Confidentiality is guaranteed

EMPLOYMENT (Persons interviewed: 15 years old and over)

1 **Did you have a job for pay or profit during the reference week, or did you contribute to family business or farm or were not working, but had a job or business?**

1 Yes → 2
2 No
3 Was a conscript on compulsory military or communit service → 56

2 **Did you work during the reference week?**

1 Yes → 6
2 Was not working due to on lay-off → 4
3 No → 3

3 **Why did you not work on the surveyed week?**

1 Slack work for technical or economic reasons
2 Labour dispute
3 School education or training
4 Holidays → 4
5 Parental leave
6 Bad weather
7 Compensation leave (within the framework of working time banking or an annualised hours contract)
8 Other reasons
9 Maternity leave → 6
10 Own illness, injury or temporary disability

4 **Artículo I. Do you have an assurance of return to work within a period of 3 months?**

1 Yes → 6
2 No → 5

5 **Are you going to receive ≥ 50% of wage from your employer?**

1 Yes → 6
2 No → 56

EMPLOYMENT CHARACTERISTICS OF THE MAIN JOB

6 What is a full name of your working place?

Code of enterprise → 7

7 Main economic activity:

Code of activity → 8

8 Your occupation, position, work:

Code of occupation → 9

9 Give a short description of your job: → 10

Artículo II.

10 **Are you working for a state-owned enterprise or a private company?**

1 State (where>50% of capital is held by the state/public institution)
2 Private (in private or public limited company /agricultural partnership/ sole proprietorship/ hold a license, own a farm, etc.) → 11

11 **Country of place of work:**

1 Lithuania

.....

.....

Town, local administration, village

Code of the territory [ ][ ][ ] → 12

Artículo III.

2 **Artículo IV. Other country**

.....

.....

Name of country

Code of country [ ][ ]

12 **During the past four weeks, have you worked at home?**

1 Yes
2 Sometimes
3 Never → 13

13 ***Artículo V. During the past four weeks, have you worked in the evening?***

1 Yes
2 Sometimes
3 Never → 14

14 **During the past four weeks, have you worked at night?**

1 Yes
2 Sometimes
3 Never → 15

15 **During the past four weeks, have you worked on Saturdays?**

1 Yes
2 Sometimes
3 Never → 16

16 **During the past four weeks, have you worked on Sundays?**

1 Yes
2 Sometimes
3 Never → 17

Artículo VI.

17 **During the reference week were you were:**

1 Employee, working by written agreement
2 Employee, working by verbal agreement
3 Were elected
4 Farmer without employees
5 Small farmer → 29
6 Holding a patent
7 Other person working as self-employed without employees
8 Self-employed with employees
9 Family worker → 28
10 Farmer with employees

18 ***Do you have supervisory responsibilities?***

1 *Yes* → 19
2 *No*

19 ***How have you found the present job?***

1 *Via a private employment agency* → 20
2 *Via the public Labour Exchange*
3 *Other* → 21

20 ***Who pays you your monthly salary?***

1 *The private employment agency* → 21
2 *Employer*

21 **What is your monthly net salary from your main job?**

litas → 22

22 **Do you receive any additional payments from your main job?**

(13th and 14th salary, bonuses four annual work results, dividends, bonus shares)

[ ] litas → 23

23 **Do you receive any sickness, disability or invalidity allowances?**

[ ] litas → 24

Artículo VII.

Artículo VIII.

24 **During the past four weeks, have you worked shift work?**

1 Yes → 25
2 No

25 **Your work**:

1 A permanent job or work contract of unlimited duration → 28

2 A temporary job/work contract of limited duration → 26

26 **Your job is temporary, contract of limited duration, because:**

1 A contract covers a period of training
2 You could not find a permanent job
3 You did not want a permanent job → 27
4 No reason given
5 A contract for a probationary period

27 **Total duration of temporary job:**

1 Less than one month
2 If you are working for less than 3 years, specify number of months ____ months → 28
3 If you are working for more than 3 years, specify number of years ____ years

28 **How many people are working at your place of work, including yourself?**

1 Less than 10 persons (exact number of persons) ____ persons
2 11 to 19 persons
3 20 to 49 persons → 29
4 50 persons or more
5 Do not know, but less than 11 persons
6 Do not know, but more than 10 persons

29 **In which year did you start working for this employer or as self-employed?**

____ year → 30

30 **In which month did you start working for this employer or as self-employed?**

(Specify, if the person worked less than 2 years).

____ month → 31

31 **In the reference week, did you work full-time or part-time?**

1 Part-time → 32
2 Full-time, your working week usually is less than 40 hours → 34
3 Full-time, your working week usually is 40 hours or more → 38

32 **Part-time job which was taken because:**

1 Undergoing school education or training
2 Of own illness or disability
3 Could not find a full-time job
4 Did not want a full-time job → 34
5 Other reasons
6 No reason given
7 Looking after children or incapacitated adults → 33

Artículo IX.

33 ***You are looking after children or incapacitated adults because:***

1 *Artículo X. Suitable care services for children are not available or affordable*
2 *Artículo XI. Suitable care services for ill, disabled, elderly are not available or affordable*
3 *Artículo XII. Suitable care services for both children and ill, disabled, elderly are not available or affordable* → 34
4 *Artículo XIII. Care facilities do not influence decision for working part time*

Artículo XIV.

34 **Would you like to work more hours each week than you do currently?**

1 No → 38
2 Yes → 35

35 **Artículo XV. In what way would you prefer to work more hours?**

1 In an additional job
2 In my job working more hours than at the present job → 36
3 Only within the present job
4 In any of the above-mentioned ways

36 **If you found a suitable job, could you start working within two weeks?**

1 Yes → 38
2 No → 37

37 **Why would not you be able to start within the next two weeks?**

1 Must complete education or training
2 Must complete compulsory military or community service
4 Personal family responsibilities (including maternity) → 38
5 Own illness or incapacity
6 Other reasons

HOURS WORKED

38 **Artículo XVI. How many hours per week do you usually work?**

1 Usually work: _____ hours → 39

2 Usual hours cannot be given because hours worked vary considerably from week to week or from month to month

39 **How many hours per week did you actually worl during the reference week?**

1 Worked _____ hours → 40

2 Did not work at all → 46

40 **During the reference week, you actually worked:**

1 More than usually → 41

2 Less than usually → 45

3 Usual hours

4 Hours worked vary considerably from week to week → 46

41 **Why did you work more than your usual number of hours during the reference week? (specify the reason):**

1 Variable hours (e. g. flexible working hours) → 46

2 Other reasons

3 Overtime → 42

42 ***How many hours did you work overtime?***

_____ *hours* → 43

43 ***Will your overtime be paid (or was paid)?***

1 Yes → 44

2 No → 46

44 ***How many hours of your overtime will be paid (or were paid)?***

_____ *hours* → 46

45 **Why did you work less than your usual number of hours during the reference week?**

1 Bad weather

2 Slack work for technical or economic reasons

3 Labour dispute

4 Education or training

5 Variable hours (e.g. flexible working hours)

6 Own illness, injury or temporary disability

7 Maternity or parental leave → 46

8 Special leave for personal or family reasons

9 Annual Holidays

10 Bank Holidays

11 Start of/change in job during the reference week

12 End of job without taking up a new one during the reference week

13 Other reasons

14 Your hours vary considerably from week to week or month to month and you did not state a reason for a divergence between the actual and usual hours

46 **How many hours (in total) would you like to work each week?**

_____ hours → 47

Artículo XVII. SECOND JOB

47 **Apart from the main job, did you have a second job during the reference week for which you were paid or had income (monetary or in kind) or you worked on a farm?**

1 Yes → 48

2 No → 54

48 **How many jobs or businesses did you have during the reference week?**

1 Had only one job or business → 49

2 Had more than one job or business

49 **In your second job you are:**

1 Employee

2 Self-employed without employees

3 Self-employed with employees (employer) → 50

4 Family worker

5 Farmer with employees (employer)

50 **Full name of your secondary workplace or short description of you secondary occupation:**

_____

_____

Code of enterprise → 51

51 **Main economic activity:**

_____

_____

_____

Code of activity → 52

52 **Did you actually work during the reference week in your second job?**

1 Yes → 53

2 No → 54

53 **Number of hours actually worked in your second job:**

Artículo XVIII. OTHER JOB

54 Are you looking for a second (another job)?

1 No → 75

2 Yes → 55

55 Why are you looking for a second (another) job?

1 Due to a risk or certainty of loss or termination of the present job
2 Actual job is considered as a transitional job
3 Seeking for an additional job to add more hours to those worked in the present job
4 Seeking for a job with more hours worked than in the present job
5 Seeking for a job with less hours worked than in the present job
6 Wish to have better working conditions (e.g. pay, working or travel time, quality of work)
7 Other reasons
8 Looking for another job but not giving any reason

→ 70

PREVIOUS WORK EXPERIENCE OF PERSON NOT IN EMPLOYMENT

56 Artículo XIX. Existence of previous employment:

1 Has already been in employment → 57

2 Has never been in employment (purely occasional work, such as vacation work, compulsory military or community service are not considered as employment) → 64

57 Artículo XX. **In which year did you last work?**

[ ][ ][ ][ ] year → 58

58 *Artículo XXI.* **In which month did you last work?**

(Specify, if the person left work less than 2 years ago)

[ ] month → 59

59 Artículo XXII. How many years you don't work?

1 Less than 8 years → 60

2 8 years or longer → 64

60 Why did you leave your (last) job/business?

1 Dismissed or made redundant
2 A job of limited duration has ended, seasonal or casual work
3 Personal or family responsibilities
4 Own illness or disability
5 Education or training
6 Early retirement
7 Normal retirement
8 Compulsory military or community service
9 Other reasons

→ 61

61 Professional status in last job:

1 Employee
2 Self-employed without employees
3 Self-employed with employees (employer)
4 Family worker
5 Farmer with employees

→ 62

62 Economic activity of the local unit, in which you last worked:

Code of activity [ ][ ] → 63

63 Occupation of last work:

Code of occupation [ ][ ][ ] → 64

Artículo XXIII. EDUCATION

79 **Have you been a student in regular education during the last 4 weeks?**

1 Yes → 80
2 Yes, but now you are on holiday
3 No → 81

80 **Where did you study (by levels of education)?**

1 Primary (ISCED 1)
2 Lower secondary general (ISCED 2)
3 Upper-secondary general (ISCED 3A)
4 Lower-secondary vocational (ISCED 2C)
5 Upper-secondary vocational (ISCED 3)
6 Post-secondary (non-tertiary) (ISCED 4)
7 Tertiary (not-higher) (ISCED 5B)
8 Colleges (higher non-university) (ISCED 5B)
9 Universities (ISCED 5A)
10 Doctorate (ISCED 6)

→ 84

81 **Did you attend any courses, seminars, conferences and etc. during last 4 weeks?**

1 Yes → 82
2 No → 85

82 **Number of hours spent on all taught learning activities within the last 4 weeks:**

_____ hours → 84

83 **Which training courses did you attend?**

1 Foreign languages
2 Computer courses
3 Other courses
4 Visited conferences, seminars, workshops, etc.

→ 84

84 **Purpose of the most recent taught learning activity:**

1 Mostly job-related
2 Mostly personal

→ 85

85 **Highest level of education or training successfully completed:**

1 Doctorate (ISCED 6)
2 University (ISCED 5A)
3 Colleges (higher non-university) (ISCED 5B)
4 Tertiary (not-higher) (ISCED 5B)
5 Specialized secondary school (technicum) (ISCED 4B)
6 Post-secondary vocational education (ISCED 4B)
7 Upper-secondary general education (ISCED 3A)
8 Upper-secondary vocational education (ISCED 3A)
9 Upper-secondary vocational education two years and more (ISCED 3C)

→ 86

10 Lower secondary vocational education (ISCED 2C)
11 Lower-secondary general education (ISCED 2A)
12 Primary education (ISCED 1)

→ 87

13 No formal education or below ISCED 1 → 88

Artículo XXIV. SITUATION ONE YEAR BEFORE THE SURVEY

88 **Situation one year before the survey:**

1 Carries out a job or profession, including unpaid work for a family business or holding, including an apprenticeship or paid traineeship, etc. → 89

2 Pupil, student (full-time education)
3 In retirement or early retirement
4 Permanently disabled
5 In compulsory military service
6 Fulfilling domestic tasks
7 Unemployed
8 Other inactive person

→ 91

89 **Professional status one year before the survey:**

1 Employee
2 Self-employed without employees
3 Self-employed with employees
4 Family worker
5 Farmer with employees

→ 90

Artículo XXV.

90 **Economic activity of local unit in which a person was working one year before the survey:**

_____

Code of economic activity _____

→ 91

Annex 4. Australia: Survey of Employees Earnings and Hours, 2012 - Help Page

Selected questions [76]

Part 1. Employee characteristics

Question 1. Identification of employee
This question is designed to enable you to identify the correct employee record in the event that the ABS needs to clarify any details with you.

Question 2. Sex of employee
This question is designed to identify whether the employee is a male or a female. It allows earnings and hours information to be analysed according to gender.

Question 3. Age of employee
This question is designed to identify the broad age group of the employee. Three distinct categories apply:

- under 18 years
- between 18 years and under 21 years
- 21 years and over

Question 4. Occupation title
This question is designed to provide details of the employees occupation. Information provided in these questions is used to determine the appropriate occupation code for the employee reported. Occupation is classified according to the Australian and New Zealand Standard Classification of Occupations (ANZSCO).

You are required to provide the full title of employee's occupation, stating trade, class or grade where applicable. For example, primary school teacher, machine operator, 2nd year apprentice chef, etc.

Question 5. Main tasks or duties of employee
This question is designed to make the coding of the more complex or ambiguous occupations possible. It requires you to describe as fully as possible the main tasks or duties usually performed by the employee you are reporting for. For example, prepare lessons and teaches, operates extruding machine, assists in food preparation etc.

Question 6. Is this employee an owner manager of an incorporated enterprise?

This question is designed to determine whether an owner manager of an **incorporated enterprise** is a paid employee of their own business. It allows earnings information for managerial employees to be analysed separately.

An owner manager of an incorporated enterprise will be paid through the businesses payroll and issued with with a payment summary at the end of the financial year. Sole proprietors, partners of unincorporated entities and trustees should not be reported as owner managers of incorporated entities.

Question 7. Is this employee an upper level manager or executive?
This question is designed to determine whether the employee is an upper level manager or executive. It allows earnings information for managerial employees to be analysed separately.

For the purposes of the Employee Earnings and Hours Survey, upper level managers are employees who have **strategic responsibilities in the conduct of operations of the business.** Upper level managers generally make executive decisions which can affect the entire business, for example they may be able to make a decision to open or close a branch of the business. Generally, area managers or supervisors are not classified as upper level managers. Other characteristics of upper level managers include **being in charge of a significant number of employees,** and usually **not having entitlement to paid overtime.**

[76] Australian Bureau of Statistics

Question 8. Is this employee permanent, fixed term or casual?
This question is designed to determine whether the employee is employed on a permanent, fixed term or casual basis for analysis purposes.
Casual employees differ from permanent employees as they usually receive a slightly higher rate of pay, to compensate for lack of permanency and leave entitlements. They frequently do not work a set number of hours. Some fixed term employees also receive a slightly higher rate of pay to compensate for lack of permanency and leave entitlements, even though they are generally employed for a set number of hours throughout the term of their employment.

Question 9. Does this employee receive a casual loading?
Casual loading refers to a higher rate of pay to compensate for **lack of leave entitlements**. It should not be confused with increases in the hourly rate that are paid as an incentive for good performance or other reasons.

Question 10. Does this employee work full-time or part-time?
This question is designed to determine whether the employee works full-time or part-time. It allows earnings and hours information for full-time and part-time employees to be analysed separately. For the purposes of the Employee Hours and Earnings Survey, employees (including casuals) should be reported as full-time if they usually work:

1. Agreed or award hours for a full-time employee in their occupation; or
2. 35 hours or more per week.

Otherwise an employee is considered part-time.

Casual employees should be classified on the basis of the hours they usually work (i.e. full-time if they **usually** work 35 hours or more per week). If they do not have 'usual hours' they should be classified according to the hours worked during the period for which you are reporting.

Part 2 Gross earnings

Question 11. Pay frequency
This question is designed to allow you to report earnings and hours on the same basis of your payroll set up. You are not required to adjust the information in any way. For instance, if the employee you are reporting for is paid monthly, select monthly and report all earnings and hours on a monthly basis. If your payroll frequency is not weekly, fortnightly or monthly, select 'other' and write in details of the frequency e.g. if an employee is paid every four weeks rather than for a calendar month, select 'other', then specify four weekly.

All earnings figures should always relate to the pay frequency selected in Question 12. You will be asked this question in relation to each employee for whom you have been asked to report. If you have multiple payrolls indicate the frequency at which the particular employee you are reporting for was paid.

Question 12. Total amount salary sacrificed
This question is designed to collect information on amounts salary sacrificed. With salary sacrificing becoming increasingly popular, this question allows earnings to be analysed taking into consideration the employee's cash and non-cash remuneration. Salary sacrifice can generally be altered according to the employees wishes from time to time. **It should not be** confused with salary packaging, which is an arrangement that forms a fixed component of their total remuneration, such as a company car or a mobile phone.
Salary sacrifice is an arrangement where an employee agrees to forgo part of their pre-tax salary in return for benefits. Common types of benefits include pre-tax contributions to superannuation funds and novated leases for motor vehicles.

Including
- Fringe benefits tax incurred on benefits provided through a salary sacrifice arrangement;
- Any portion of weekly, fortnightly, monthly or quarterly bonuses that was salary sacrificed

Excluding

- Value of fringe benefits not provided through a salary sacrifice arrangement e.g. entertainment expenses;
- Employee contributions from **post-tax earnings;**
- Salary sacrifice of half-yearly, annual, or irregular or one-off bonuses

Providing a description of item(s) salary sacrificed will assist the ABS in processing your form without the need to contact you for clarification.

Question 13. Total taxable gross earnings
This question is designed to collect information on the employee's total taxable gross earning for the period reported for. It should **exclude amounts salary sacrificed** as they are taken from the earnings before tax is applied. Reimbursement of expenses (e.g. travel, entertainment, meals and other expenses) are non-taxable and should be excluded from all earnings questions.

Question 14. Taxable ordinary time earnings
This question is designed to collect information on taxable payments paid to the employee during the reference period that are designated as **'ordinary time earnings'.** Ordinary time earnings are payments for standard or agreed hours of work and are a component of total taxable gross earnings as reported in Question 14 and should also exclude amounts salary sacrificed. For many employees it is equal to total gross earnings if no overtime, allowances or other payments are made during the reference period.

Including

- Base pay
- Shift/penalty payments for ordinary time hours
- Retainers
- Payments made in the reference period which **vary** according to measured performance e.g. piecework, production bonuses, commissions, etc.
- Weekly, fortnightly, monthly or quarterly bonuses that are based on measured performance

Excluding

- Amounts salary sacrificed
- Overtime earnings
- Taxable allowances
- Other taxable payments such as annual leave loading; half-yearly, annual, irregular or one off bonuses; pay in advance or back pay; severance, termination or redundancy payments; or reimbursements for expenses.

Question 15. Overtime earnings
This question is designed to collect information on taxable payments paid to the employee during the reference period that are designated as **'overtime earnings'.** Overtime earnings are payments for work performed **in excess of** standard or agreed hours of work. Overtime earnings are a component of total taxable gross earnings as reported in Question 14 and should also **exclude** amounts **salary sacrificed**.

Part 3 Hours paid for

Question 19. Ordinary time hours paid for

This question is designed to collect information on the number of award, standard or agreed hours of work which were **actually** paid for in the pay period. The hours reported in this question should relate to the pay frequency selected in Question 12. For example, if the employee is paid monthly, monthly ordinary hours should be reported.

Including

- Hours of paid leave relating to the pay period

Excluding

- Overtime hours
- Hours on stand-by or reporting time except when these are part of ordinary time hours

You are **not required** to convert ordinary time hours paid for at penalty rates, for example shift hours, to their ordinary time equivalent.

Question 20. Overtime hours paid for

This question is designed to collect information on the number of hours **in excess of** award, standard or agreed hours which were paid for in the pay period. The hours reported in this question should relate to the pay frequency selected in Question 12. Thus, if the employee is paid monthly, monthly overtime hours should be reported.

Including

- Overtime hours paid at the standard rate and penalty rates

Excluding

- Standard hours paid at penalty rates
- Normal shift work