

UNDS/ECLAC WORKSHOP ON STATISTICS AND INTERNATIONAL TRADE IN SERVICES

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First subjects to be discussed...

The TSA as a Response to User Needs

Positioning Tourism Analysis in the Mainstream of Economic Analysis

...or...

What is a TSA and what can it do for tourism activity?



In Most Countries, Economic Importance of Tourism needs to be recognized

- Generation of output and demand in a variety of activities and products
- Generation of GDP (primary income)
- Generation of net foreign earnings
- Generation of tax earnings
- Generation of employment
- Maintaining a balance between the regions and stopping the migration of population to the major cities
- Participation in the preservation and enhancement of natural resources and historical heritage

• etc...



Why this Lack of Recognition?

Basically because the indicators used by tourism to communicate with other stakeholders...

...concentrate on:

- Number of arrivals
- Statistics on accommodation
- Scattered data on supply by “tourism” activities (those exclusively under the control of the corresponding ministry)

....while other activities speak of:

- Share in GDP,
- Share in employment,
- Share in earnings, etc...



How to Gain Recognition

Strategy:

use the same concepts
use hard facts

Methodology:

use a conceptual framework
linked to more general conceptual
frameworks such as NA and BoP

This provides:

comparability with other activities
international comparability
credibility



The Difficulties of the Exercise

Due to the nature of tourism:

- Tourism is a demand side activity: it is the visitor which makes tourism to happen;
- It is neither product nor activity driven;
- All consumption products which can be acquired by visitors and the activities that provide them to visitors fall into the scope of tourism: no product limitation

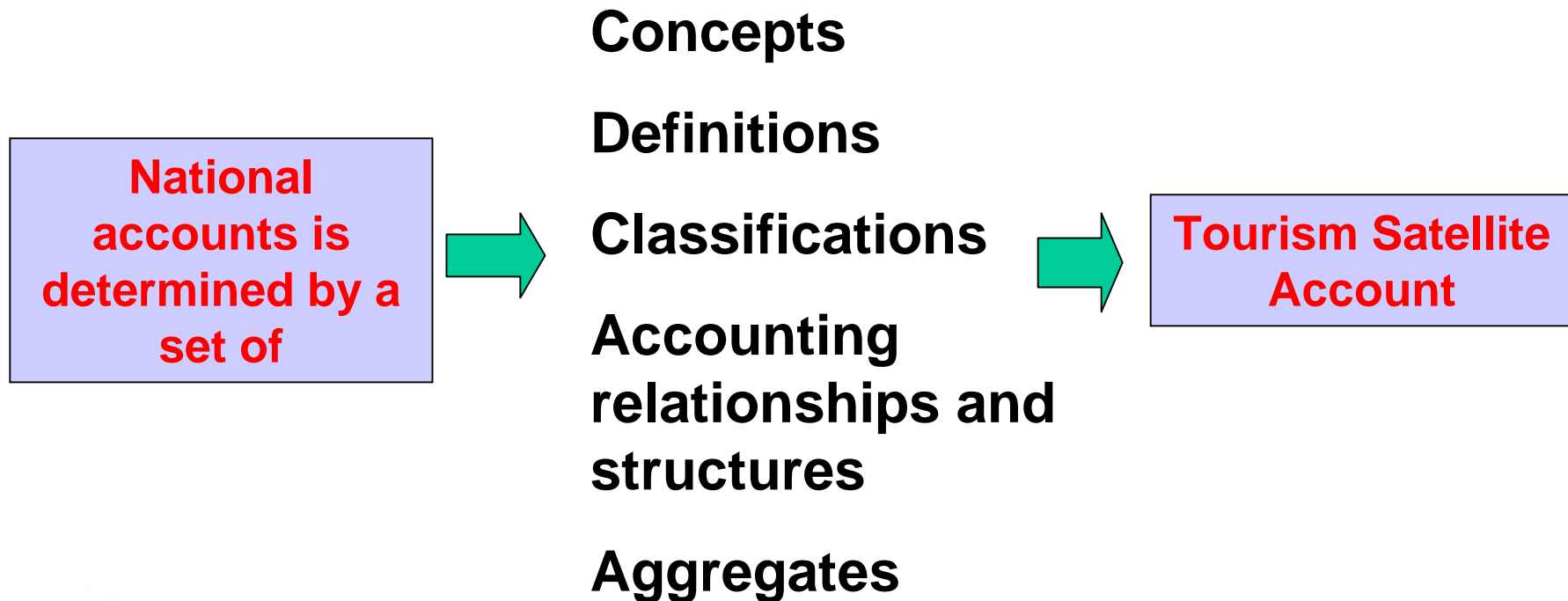
Due to the history of tourism observation:

- It has been confined to the observation of arrivals and exits of travelers;
- It has been confined to the observation of “tourism” activities which tourism character is undeniable and almost exclusive (accommodation, travel agencies,)



A total shift of attitude is needed

What is a TSA Approach?



Basic Concepts Concerning Tourism in a National Accounts Environment

National Accounts

Resident/non-resident
Households

Household final effective
consumption

Classifications

- Activities: ISIC
- Products: CPC

Employment by
industries

GDP by activities



Tourism Satellite Account

Individuals belonging to
resident/non-resident households

Visitors consumption

Classifications

- Activities TCA from ISIC
- Products TCP from CPC

Employment in tourism
industries

Tourism GDP

TSA and National Accounts

Conceptually the TSA should be viewed as a further elaboration of parts of the system of national accounts so that tourism might be apparent

All the basic concepts and definitions will be shared, in particular the boundaries of production

The TSA should be constructed within a supply and use table framework to provide maximum analytical usefulness

Strong structural relationship between the two systems



Basic Concepts and Definitions Proper to Tourism Analysis (in terms of SNA/TSA)

The Visitor:

- Any **person** traveling to a place
 - other than that of his/her usual environment
 - for less than 12 months and
 - whose main purpose of trips is **other** than the exercise of an activity remunerated from within the place visited

Tourism:

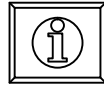
- the **activity of visitors**: what visitors do 

Activity of visitors in terms of national accounts:

- **final consumption** : acquisition of goods and services for the direct satisfaction of the visitors wants and needs



Categories of visitors



International visitors:

Whose country of residence is different from that of the country visited

- They also include nationals residing permanently abroad.
- They (usually) cross national borders



Domestic visitors:

Whose country of residence is the country visited itself

- They can be nationals or foreigners for this country.
- They (usually) do not cross national borders



Forms of tourism: Who and Where

Domestic tourism: the activity of **resident** visitors **within** the economic territory of the country of reference

Inbound tourism: the activity of **non-resident** visitors **within** the economic territory of the country of reference

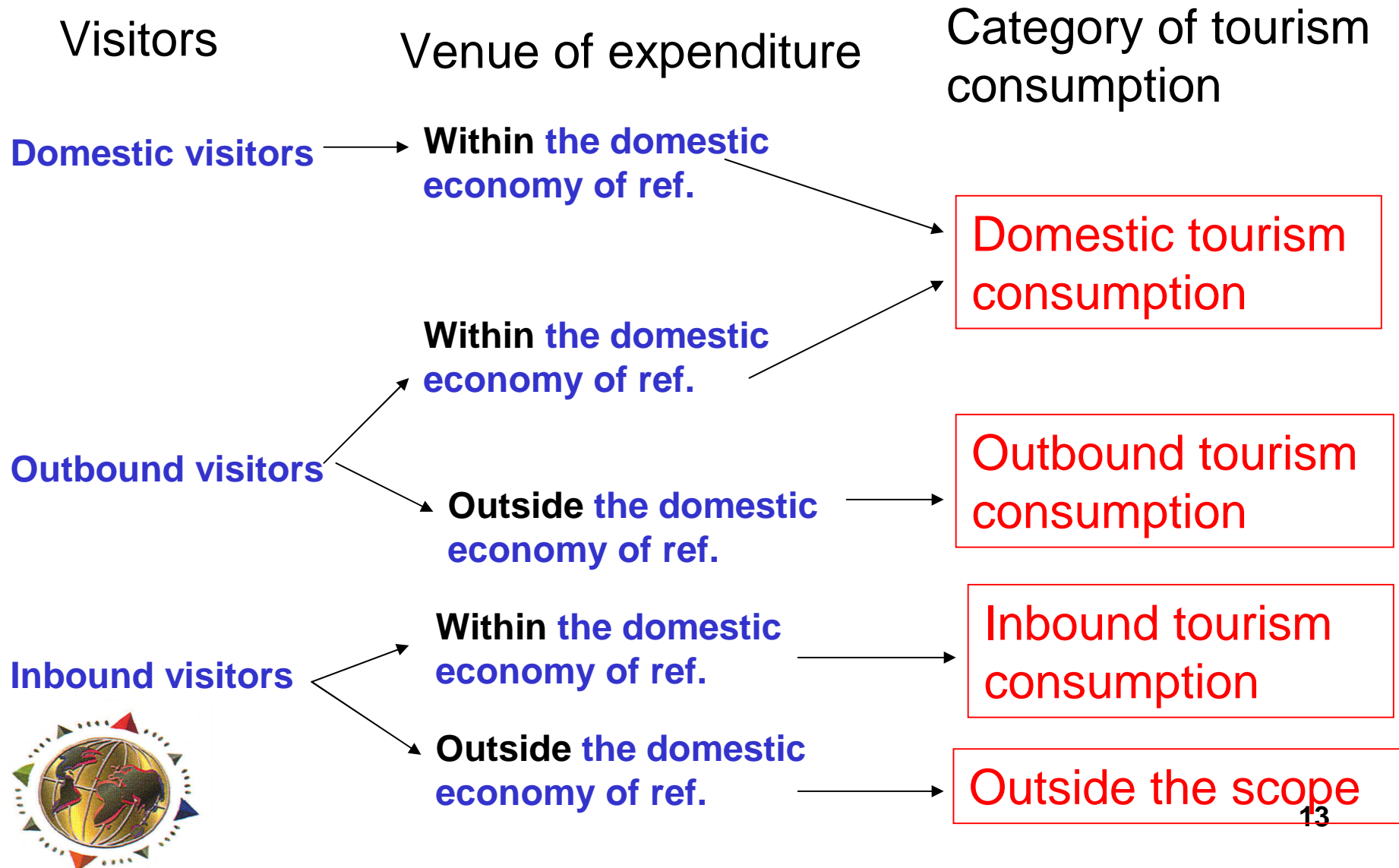
Outbound tourism: the activity of **resident** visitors **outside** the economic territory of the country of reference

Internal tourism: the activity of both **resident** and **non-resident** visitors, **within** the economic territory of the country of reference

National tourism: the activity of **resident** visitors **within** and **outside** the economic territory of the country of residence

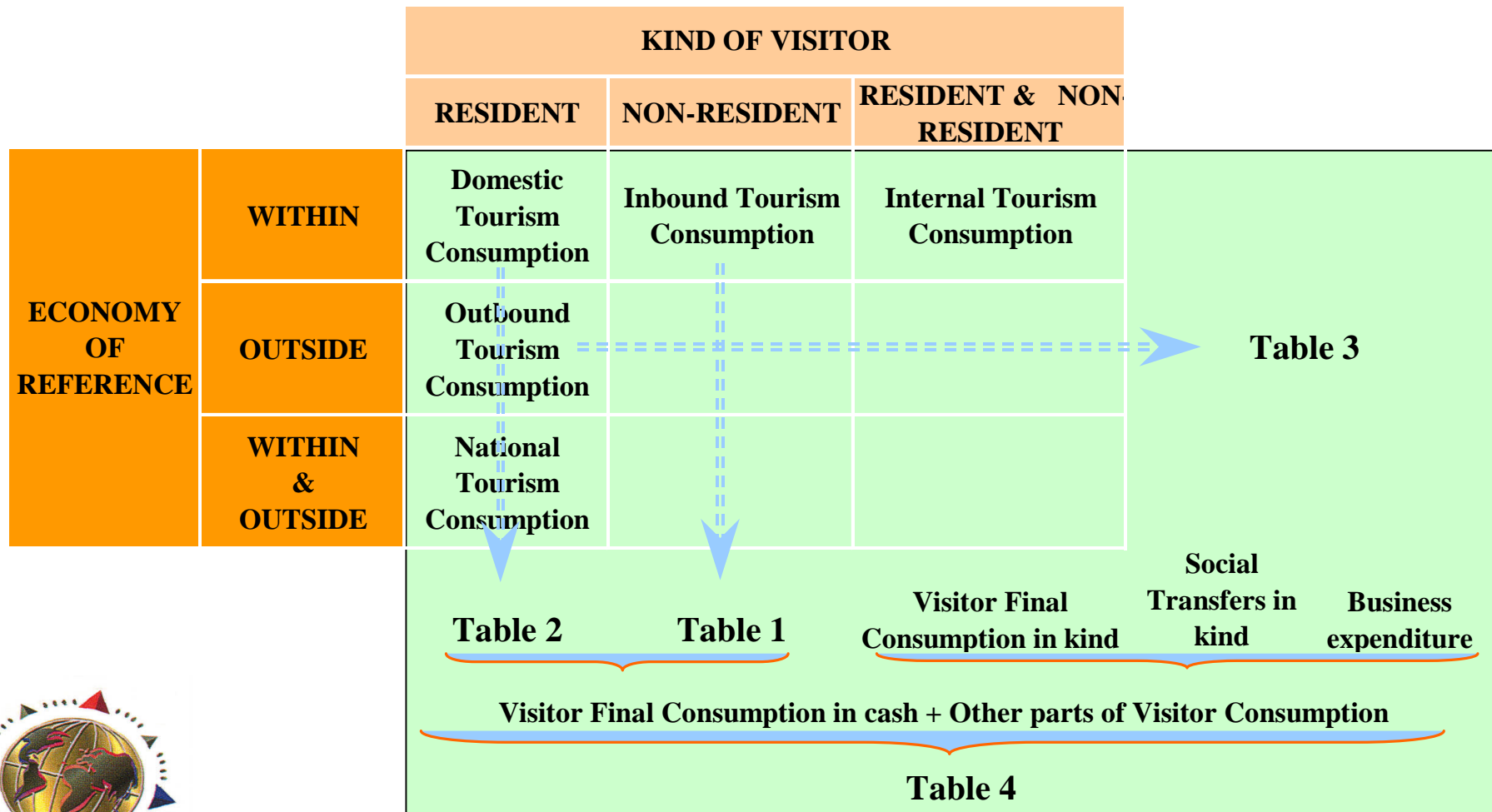


Visitors, venue and consumption



Tables 1, 2, 3 and 4

Links between the tourism consumption definitions and the TSA Demand Tables

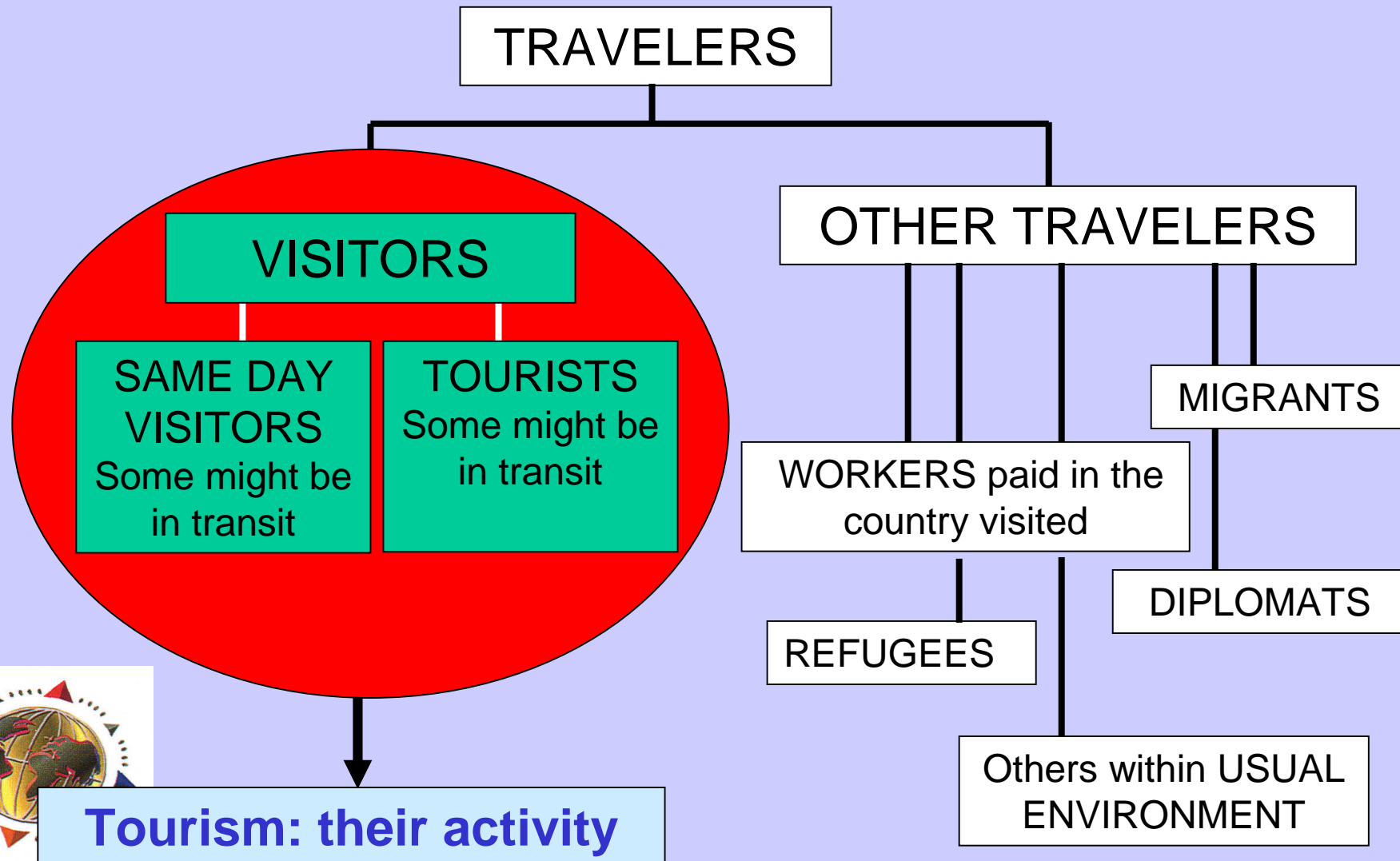
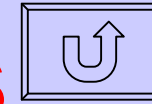


The TSA will focus on:

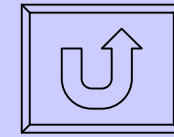
- **Tourism consumption**
 - According to non monetary characteristics of the visitors and of the trips (socio demographic, purpose, origin, length of stay, ...)
 - By category of tourism
 - By detailed products
- **Supply to visitors**
 - By activity
 - Factors of production associated to supply
- **Reconciliation of consumption and supply**
- **Other variables associated to consumption and supply**



International Visitors



Domestic Visitors



Tourism: their activity

Travelers

Making trips outside their usual environment

Minimum distance traveled

Crossing of administrative borders

Stay less than one year

Making trips within their usual environment

Routine of everyday life

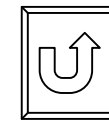
To work or study

Stay of more than a year



Tourism: the activity of visitors

- Impact of visitors viewed through
 - their consumption
 - The implication of this consumption
 - Directly or
 - Indirectly
 - On the supply by activities
 - On the factors of production
- In terms of National Accounts, tourism is a demand defined activity

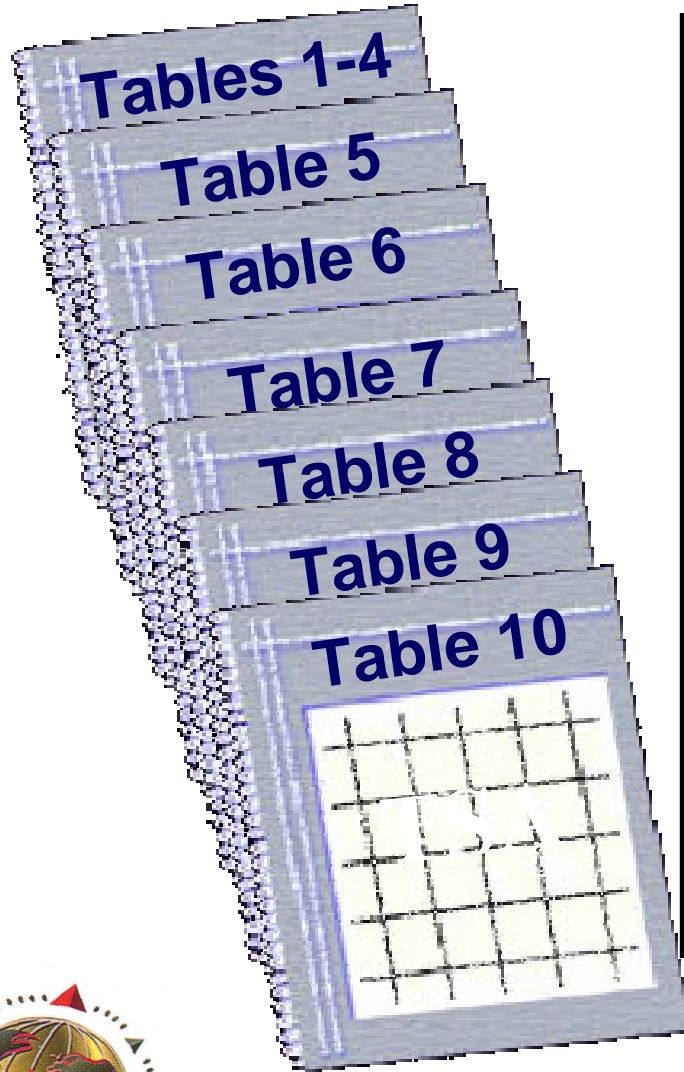


The TSA tables

T



The basic structure of the TSA: the proposed tables



1- 4	Tourism Consumption
5	Production
6	Demand meets Supply
7	Employment in Tourism industries
8	Tourism Gross Fixed Capital Formation
9	Tourism Collective Consumption
10	Physical Indicators



TSA and the National Accounts

- **The measurement of the supply by economic activities to meet tourism demand requires:**
 - **A more detailed classification of producing units by industry (from ISIC to TCA)**
 - **A detailed breakdown of output by product (goods and services) (from CPC to TCP)**
 - **Specification of tourism-related investment/capital expenditure**
 - **Specification of tourism associated employment/labour income**



Some of the Aggregates which can be derived from the tables:

- **Internal tourism consumption**
- **Value added of tourism industries (VATI)**
- **Tourism value added (TVA)**
- **Tourism Gross domestic product (Tourism GDP)**
- **Others: Tourism gross fixed capital formation - Tourism collective consumption - Total tourism demand - Tourism employment**



Tourism characteristic products and corresponding activities

List of tourism characteristic products		List of tourism characteristic activities	
1. Accommodation services		1. Hotels and similar	
1.1	Hotels and other lodging services		
1.2	Second homes services on own account or for free	2. Second home ownership (imputed)	
2. Food- and beverage-serving services		3. Restaurants and similar	
3. Passenger transport services			
3.1	Interurban railway transport services	4. Railway passenger transport services	
3.2	Road transport services	5. Road passenger transport services	
3.3	Water transport services	6. Water passenger transport services	
3.4	Air transport services	7. Air passenger transport services	
3.5	Supporting passenger transport services	8. Transport supporting services	
3.6	Passenger equipment transport rental	9. Transport equipment rental	
3.7	Maintenance and repair services of passenger transport equipment		
4. Travel agency, tour operator and tourist guide services		10. Travel agencies and similar	
4.1	Travel agency services		
4.2	Tour operator services		
4.3	Tourist information and tourist guide services		
5. Cultural services		11. Cultural services	
5.1	Performing arts		
5.2	Museum and other cultural services		
6. Recreation and other entertainment services		12. Sporting and other recreational services	
6.1	Sports and recreational sport services		
6.2	Other amusement and recreational services		
7. Miscellaneous tourism services			
7.1	Financial and insurance services		
7.2	Other good rental services		
	Other tourism services		



Particularities of the tables

- Unique classification of products and activities through the tables
- Format inspired by Supply and use tables of SNA
- Strong link between most of them:
 - Tables 1 and 2 feed into table 4
 - Tables 4 and 5 feed into 6



TABLE 1

Inbound tourism consumption, by products and categories of visitors

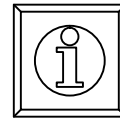
Products	Same-day visitors	Tourist	Total visitors
A. Specific products			
A.1 Characteristic products			
1 - Accommodation services	x		
1.1 Hotels and other lodging services	x		
1.2 Second homes services on own account of for free	x	x	x
2 - Food and beverage serving services			
3 - Passenger transport services			
3.1 Interurban railway			
.....			
3.7 Maintenance and repair services			
4 - Travel agency, tour operator and tourist guide services			
4.1 Travel agency			
4.2 Tour operator			
4.3 Tourist information and tourist guide			
5. Cultural services			
5.1/5.2 Performing arts/ Museums and other cultural services			
6. Recreation and other entertainment services			
7. Miscellaneous tourism services			
.....			
A.2 connected products (distribution margins goods and services)			
B. Non specific products (distribution margins goods and services)			
TOTAL			
	Number of trips		
	Number of overnights		

Visitor final consumption expenditure in cash



TABLE 2

Domestic tourism consumption, by products and categories of visitors



Products	Resident visitors travelling only within the country of reference			Resident visitors travelling to a different country			All resident visitors		
	Same-day visitors	Tourist	Total visitors	Same-day visitors	Tourist	Total visitors	Same-day visitors	Tourist	Total visitors
A. Specific products									
A.1 Characteristic products									
1 - Accommodation services	x			x			x		
1.1 Hotels and other lodging services	x			x			x		
1.2 Second homes services on own account of for free	x	x	x	x	x	x	x	x	x
2 - Food and beverage serving services									
3 - Passenger transport services									
3.1 Interurban railway									
.....									
3.7 Maintenance and repair services									
4 - Travel agency, tour operator and tourist guide services									
4.1 Travel agency									
4.2 Tour operator									
4.3 Tourist information and tourist guide									
5. Cultural services									
5.1/5.2 Performing arts/ Museums and other cultural services									
6. Recreation and other entertainment services									
7. Miscellaneous tourism services									
.....									
A.2 connected products (distribution margins goods and services)									
B. Non specific products (distribution margins goods and services)									
TOTAL									
	Number of trips								
	Number of overnights								



TABLE 3

Outbound tourism consumption, by products and categories of visitors

Products	Same-day visitors	Tourist	Total visitors
A. Specific products			
A.1 Characteristic products			
1 - Accommodation services	x		
1.1 Hotels and other lodging services	x		
1.2 Second homes services on own account of for free	x	x	x
2 - Food and beverage serving services			
3 - Passenger transport services			
3.1 Interurban railway			
.....			
3.7 Maintenance and repair services			
4 - Travel agency, tour operator and tourist guide services			
4.1 Travel agency			
4.2 Tour operator			
4.3 Tourist information and tourist guide			
5. Cultural services			
5.1/5.2 Performing arts/ Museums and other cultural services			
6. Recreation and other entertainment services			
7. Miscellaneous tourism services			
.....			
A.2 connected products (distribution margins goods and services)			
B. Non specific products (distribution margins goods and services)			
TOTAL			
	Number of trips		
	Number of overnights		

Visitor final consumption expenditure in cash



TABLE 4

Internal tourism consumption, by products and categories of visitors

TABLE 1	Same-day visitors	Tourist	Total visitors
A. Specific products			
A.1 Characteristic products			
1 - Accommodation services	x		
1.1 Hotels and other lodging services	x		
1.2 Second homes services on own account of for free	x	x	x
2 - Food and beverage serving services			
3 - Passenger transport services			
3.1 Interurban railway			
.....			
3.7 Maintenance and repair services			
4 - Travel agency, tour operator and tourist guide services			
4.1 Travel agency			
4.2 Tour operator			
4.3 Tourist information and tourist guide			
5. Cultural services			
5.1/5.2 Performing arts/ Museums and other cultural services			
6. Recreation and other entertainment services			
7. Miscellaneous tourism services			
.....			
A.2 connected products (distribution margins goods and services)			
B. Non specific products (distribution margins goods and services)			
TOTAL			
	Number of trips		
	Number of overnights		

TABLE 2	Resident visitors travelling only within the country of reference			Resident visitors travelling to a different country			All resident visitors		
	Same-day visitors	Tourist	Total visitors	Same-day visitors	Tourist	Total visitors	Same-day visitors	Tourist	Total visitors
A. Specific products									
A.1 Characteristic products									
1 - Accommodation services	x			x			x		
1.1 Hotels and other lodging services	x			x			x		
1.2 Second homes services on own account of for free	x	x	x	x	x	x	x	x	x
2 - Food and beverage serving services									
3 - Passenger transport services									
3.1 Interurban railway									
.....									
3.7 Maintenance and repair services									
4 - Travel agency, tour operator and tourist guide services									
4.1 Travel agency									
4.2 Tour operator									
4.3 Tourist information and tourist guide									
5. Cultural services									
5.1/5.2 Performing arts/ Museums and other cultural services									
6. Recreation and other entertainment services									
7. Miscellaneous tourism services									
.....									
A.2 connected products (distribution margins goods and services)									
B. Non specific products (distribution margins goods and services)									
TOTAL									
	Number of trips								
	Number of overnights								

INTERNAL TOURISM CONSUMPTION (CASH + KIND)

TABLE 4 Products	Visitor final consumption expenditure <u>in cash</u>			Other components of visitor consumption	Internal consumption (in cash + kind)
	Inbound tourism consumption	Domestic tourism consumption	Internal tourism consumption in cash		
A. Specific products					
A.1 Characteristic products					
1 - Accommodation services					
1.1 Hotels and other lodging services	x	x			
1.2 Second homes services on own account of for free					
2 - Food and beverage serving services					
3 - Passenger transport services					
3.1 Interurban railway					
.....					
3.7 Maintenance and repair services					
4 - Travel agency, tour operator and tourist guide services					
4.1 Travel agency					
4.2 Tour operator					
4.3 Tourist information and tourist guide					
5. Cultural services					
5.1/5.2 Performing arts/ Museums and other cultural services					
6. Recreation and other entertainment services					
7. Miscellaneous tourism services					
.....					
A.2 connected products (distribution margins goods and services)					
B. Non specific products (distribution margins goods and services)					
Value of domestically produced goods net of distribution margins					
Value of imported goods net of distribution margins					
TOTAL					

IN CASH

IN KIND



TABLE 5

Production accounts of the tourism industries

Products	TOURISM INDUSTRIES		Not tourism Characteristic activities		Total output domestic producers at basic prices (net valuation)
	1. Hotels and similar	(2 - 12)	Connected	Other	
A. Specific products					
Characteristic products					
.....					
Connected products					
.....					
B. Non specific products					
.....					
Value of nationally produced goods net of retail margins					
Value of imported goods net of retail margins	X	X	X	X	X
TOTAL OUTPUT (at basic prices)					
1. Agriculture, forestry and fishery products				X	
2. Ores and minerals				X	
.....				X	
Total intermediate consumption (purchaser price)					
Total gross value added of activities at basic prices					
Compensation of employees					
Other taxes less subsidies on production					
Gross Mixed income					
Gross Operating surplus					



Table 5 **TABLE 6**
Production accounts of the tourism industries

Products	TOURISM INDUSTRIES		Not tourism Characteristic activities		Total output domestic producers	IMPORTS	TAXES LESS SUBSIDIES (on products domestic output and imports)	TOTAL DOMESTIC SUPPLY (at purchaser price)	TOTAL TOURISM INTERNAL CONSUMPTION SERVICES	TOTAL TOURISM RATIO ON SUPPLY
	Output	Tourism shares	Output	Tourism share						
A. Specific products										
Characteristic products										
.....										
Connected products										
.....										
B. Non specific products										
.....										
Value nationally produced goods										
Value of imported goods	X	X	X	X	X					
TOTAL OUTPUT										
1. Agriculture,				X	X					
2. Other inputs				X	X					
.....				X	X					
Total intermediate consumption										
Total gross value added of activities										
Compensation of employees										
Other taxes less subsidies on production										
Gross Mixed income										
Gross Operating surplus										



TABLE 7

Employment in the Tourism Industries

Tourism industries	Number of establishments	Number of jobs			Status in employment						
		total			employees			other			
		Male	Female	Total	Male	Female	Total	Male	Female	Total	
1 – Hotels and similar											
2 – Second home ownership (imputed)											
3 – Restaurants and similar		X	X	X	X	X	X	X	X	X	X
4 – Railways passenger transport											
5 – Road passenger transport											
6 – Water passenger transport											
7 – Air passenger transport											
8 – Passenger transport supporting services											
9 – Passenger transport equipment rental											
10 – Travel agencies and similar											
11 – Cultural services											
12 – Sporting and other recreational services											
TOTAL											

X does not apply



TABLE 8

Tourism Gross Fixed Capital Formation

	TOURISM INDUSTRIES			Total tourism industries	Other industries			Total tourism gross fixed capital formation of tourism industries and others
	1 - Hotels and similar	2 - Second home ownership (imputed)	n ...		Public Administration	Others	Total	
	Capital goods							
A. Produced non-financial assets								
A1. Tangible fixed assets								
1. Tourism accommodation								
1.1. Hotel and other collective accommodation		X						
1.2. Dwellings of tourism use								
2. Other buildings and structures								
2.1. Restaurants and similar buildings		X						
2.2. Construction or infrastructure for passenger transport by road, rail, water, air		X			(1)			
2.3. Buildings for cultural services and similar		X						
2.4. Constructions for sport, recreation and entertainment		X						
2.5. Other constructions and structures		X			(1)	(1)		
3. Passenger transport equipment								
3.1. Road and rail		X						
3.2. Water		X						
3.3. Air								
4. Machinery and equipment					(1)	(1)		
A2. Intangible fixed assets		X			(1)	(1)		
B. Improvement of land used for tourism purposes								
TOTAL								

Memo:

C. Non produced non-financial assests				
1. Tangibles				
2. Intangibles				
TOTAL				

X does not apply

(1) Only for tourism purpose

TABLE 9

Tourism Collective Consumption

Functions	National level (9,1)	Regional (state) level (9,2)	Local level (9,3)	Total tourism collective consumption (9,4)= (9,1)+(9,2)+(9,3)	Intermediate consumption by the tourism industries
Tourism promotion					
General planning and coordination related to tourism affairs					X
Generation of statistics and of basic information on tourism					X
Administration of information bureaus					
Control and regulation of establishments in contact with visitors					X
Specific control to resident and non resident visitors					X
Special civil defence services related with the protection of visitors					
Other services					
TOTAL					

X does not apply

(*) This column reflects the expenditure by the tourism industries in tourism promotion or other services related to the functions described, when relevant.



TABLE 10

Non-Monetary Indicators

a. Number of trips and overnights by type of tourism and categories of visitors

	Inbound tourism			Domestic tourism			Outbound tourism		
	Same-day visitors	Tourist	Total visitors	Same-day visitors	Tourist	Total visitors	Same-day visitors	Tourist	Total visitors
Number of trips									
Number of overnights									



TABLE 10

Non-Monetary Indicators

b. Inbound tourism: Number of arrivals and overnights by means of transport

	Number of arrivals	Number of overnights
1. Air		
1.1 Scheduled flights		
1.2 Non scheduled flights		
1.3 Other services		
2. Waterway		
2.1 Passenger lines and ferries		
2.2 Cruise		
2.3 Other		
3. Land		
3.1 Railway		
3.2 Motor coach or bus and other public road transportation		
3.3 Private vehicles		
3.4 Vehicle rental		
3.5 Other means of land transport		
TOTAL		



TABLE 10

Non-Monetary Indicators

c. Number of establishments and capacity by forms of accommodation

	Collective tourism		Private tourism	
	Hotels and similar	Others	Second homes	Others
Number of establishments				
Capacity (rooms)				
Capacity (beds)				
Capacity utilization (rooms)				
Capacity utilization (beds)				

The Balance of Payments: Transportation and Travel items...

- Transportation in the BOP: a description
- Travel in the BOP: a description
- The TSA and its main statistical needs...
- The TSA and its relationship with the BOP



The Balance of Payments: Transportation and Travel items...

- Tourism economic indicators: a proposal
- The Transportation and Travel items: the need of introducing methodological changes. The WTO approach...
- Conclusions

