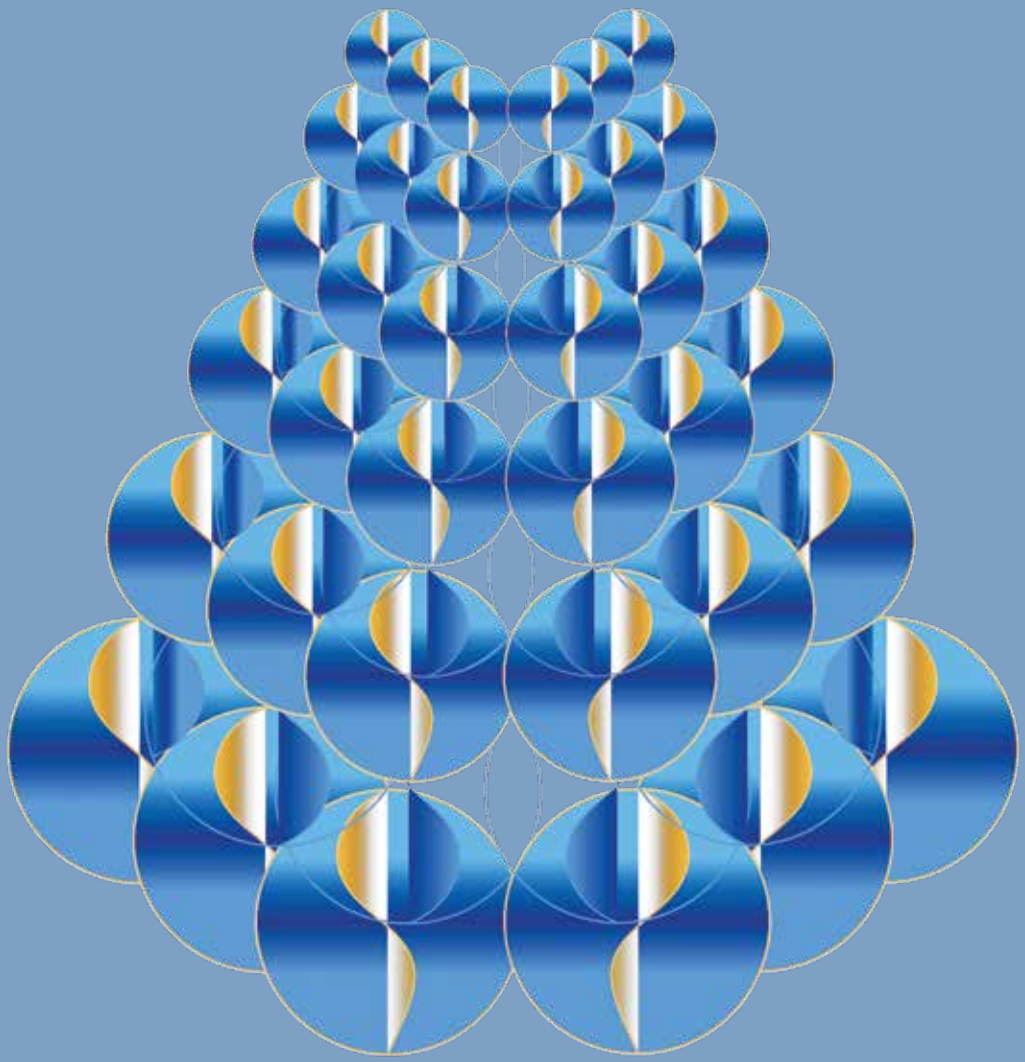
Economic & Social Affairs

International Recommendations for Tourism Statistics 2008 Compilation Guide



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International Recommendations for Tourism Statistics 2008 Compilation Guide

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Department of Economic and Social Affairs

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Foreword

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

The present *International Recommendations for Tourism Statistics 2008 Compilation Guide* is a companion publication to the *International Recommendations for Tourism Statistics 2008* (IRTS 2008). The primary purpose of this Compilation Guide is to provide further clarification and practical guidance on utilizing the sources and methods needed to compile statistics on tourism. The *Guide* 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 organizations, and staff of UNWTO, for use by 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 to the compilation of tourism statistics. In addition, the *Guide* contains information that may be of interest to users who would like to better understand 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 for International Settlements
BOP	balance of payments
BPM6	Balance of Payments and International Investment Position Manual, Sixth Edition
CANSIM	Canada's key socioeconomics database Statistics Canada
CATI	computer-assisted telephone interviewing
CCSA	Committee for the Coordination of Statistical Activities, United Nations System Chief Executives Board for Coordination
CNAE	Clasificación Nacional de Actividades Económicas (Spain)
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 (IMF)
ECB	European Central Bank
ECE	Economic Commission for Europe
E/D	entry/departure (card)
EU	European Union
GATS	General Agreement on Trade in Services
GDP	gross domestic product
GVATI	gross value added of tourism industries
HI ES	household income and expenditure survey(s)
IATA	International Air Transport Association
IBGE	Brazilian Institute of Geography and Statistics
ICCA	International Congress and Convention Association
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
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 Transactions Recording System
KAU	kind-of-activity unit
KM	kilometre(s)
LFS	Labour Force Survey
MERCOSUR	Mercado Común del Sur
MICE	meetings, incentives, conferences, and exhibitions
MPI	Meeting Professionals International
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
NNI	nearest neighbours imputation
NPISH	non-profit institutions serving households
NQAF	National Quality Assurance Framework(s)
NSO	National Statistical Office
NSS	National Statistical System
NTA	National Tourism Administration
OAD	overseas arrivals and departures
OECD	Organization for Economic Co-operation and Development
REVPAR	revenue per available room
SCBP	Statistics Capacity Building Programme(s) (UNWTO)
SEEA	System of Environmental-Economic Accounting
SDMX	Statistical Data and Metadata eXchange
SNA	System of National Accounts
STS	System(s) of Tourism Statistics
TDGDP	tourism direct gross domestic product
TDGVA	tourism direct gross value added
TSA	Tourism Satellite Account
TSA: RMF 2008	*Tourism Satellite Account: Recommended Methodological Framework 2008*
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNSD	United Nations Statistics Division
UNWTO	World Tourism Organization
VAT	value added tax
WTO	World Trade Organization

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Introduction

At its thirty-ninth session, held from 26 to 29 February 2008, the United Nations Statistical Commission adopted the *International Recommendations for Tourism Statistics 2008* (IRTS 2008) (decision 39/106, para. (b)) and requested that the World Tourism Organization (UNWTO) develop a programme to support the implementation of IRTS 2008 (decision 39/106, para. (c)). This programme was to include the preparation of a *Compilation Guide* for tourism statistics.

Within the United Nations system, the common practice is for the adoption of an international statistical standard or set of international recommendations, such as IRTS 2008, to be followed by:

a) Development of an implementation programme, consisting of training materials, workshops and technical assistance programmes designed to assist countries in basic collection, compilation and dissemination of the basic data considered in the set of recommendations;

b) Preparation of a compilation guide whose objectives include the following:

i) To provide 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, and statistical techniques for validation and editing;

ii) To provide guidance on developing databases, paying particular attention to inclusion of metadata;

iii) To offer best practices, selected on an ongoing basis and in dynamic relation to the periodic updating of the compilation guide;

iv) To provide guidance on developing data quality frameworks: a) to assess compliance with concepts underlying the recommendations and b) to assess the scope of countries' implementation of those recommendations on a regular basis.

The present *Compilation Guide* is intended to serve as the basic support for the worldwide 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, namely, 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. As statistical methods evolve over time, the *Compilation Guide* does not present a prescriptive or definitive approach to compiling tourism statistics. What it does present are the strengths and weaknesses of different approaches and the 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 provided by existing compilation guides, such as the *Balance of Payments and International Investment Position Compilation Guide* and the *Compilers Guide of the Manual on Statistics of International Trade in Services*.

The general guidelines proposed by UNWTO are intended to promote a configuration of national Systems of Tourism Statistics (STS) that enables:

- Sets of data to be obtained that are accurate and based on recommended principles to support international comparability
- Countries to identify their statistical gaps and guidance to be provided on how to fill them
- Support of the monitoring and analysis of tourism policies

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

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

- Chapter I 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 arrangements for developing a STS
- Chapter II provides a general overview of the demand-oriented conceptual framework of IRTS 2008 and the key concepts within the context of related observation issues
- Chapter III describes issues that arise in measuring visitor flows and in observing their characteristics, the processes that countries can follow in doing so and the basic data and indicators that are derived
- Chapter IV focuses on tourism expenditure, describing the measurement issues, the measurement instruments available and the basic expenditure data and indicators that are derived
- Chapter V discusses the classifications used in tourism statistics, in particular those related to products and activities
- Chapter VI describes the measurement of tourism supply in terms of different forms of accommodation and services briefly discusses tourism supply from transport service providers, food and beverage service providers, and travel and reservation agencies
- Chapter VII 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 VIII covers a number of cross-cutting topics which are relevant to the tourism statistics production process and the meeting of user needs, including quality management, the compilation of metadata, data dissemination and institutional factors

Additional information on compilation issues is provided in the four annexes to this publication.

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, is being 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, which will be regularly updated to reflect new experiences considered useful for the statistics community. While the e-document will be available in English only, the links will in some cases direct readers to case studies in other languages and in the United Nations official languages of the wherever possible
- As a document in PDF format for printing and translation into other languages (except for hyperlinks material case studies and other complementary material), so as to facilitate dissemination to other interested audiences, particularly users of tourism statistics

Chapter 1

Role of the International Recommendations for Tourism Statistics 2008

The present Chapter is structured as follows: Section A (introduction) 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. Section B presents the conceptual framework of an STS, including its links to the Tourism Satellite Account (TSA), and examines the importance of measuring tourism. Section C describes the key statistical units into more detail and concludes a description of the basic information framework required to achieve the international comparability of tourism statistics. Section D demonstrates the crucial importance of institutional arrangements in developing an STS, (a subject that is further developed in chap. VIII Sect. D).

A. Introduction

1.1. The present *Compilation Guide* is focused on the setting up of a national System of Tourism Statistics (STS). Tourism statistics cover data on visitors' activities (such as arrivals and departures, overnight stays, expenditures and the main purpose of the trip) associated with the different forms of tourism (inbound, domestic and outbound) and on activity, infrastructure and employment related to the tourism industries. Box I.1 sets out the international Classification of Statistical Activities, which categorizes tourism statistics as part of any National Statistical System (NSS).

1.2. The STS should be understood as constituting part of the NSS that provides reliable, consistent and appropriate statistical information on the socioeconomic 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, which should be viewed as the basic framework for coordinating and integrating statistical information on tourism, incorporates concepts, definitions, classifications, data, indicators, and aggregated and tabulated results, so as to provide an exhaustive description of all the dimensions 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 types of tourism statistics with each other and with other types of economic statistics (mainly national accounts and balance-of-payments data). In order for the TSA to serve as such an integrated framework, the same requirements as those for the *System of National Accounts 2008* (2008 SNA) should apply: tourism statistics should be coherent (i.e., the same concepts, definitions and classifications should apply to all related components) and consistent (i.e.,

measurements for each component should be commensurable so as to enable then integration within a unique analytical framework).

1.5. This explains why the *International Recommendations for Tourism Statistics 2008* (IRTS 2008) emphasizes 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 (see IRTS 2008, paras. 1.34-1.38).

1.6. It should be noted that the Statistical Commission, in its report on the thirty-ninth session affirmed "the role of the System of National Accounts as the integrating framework in economic statistics" and recognized "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" (E/2008/24, chap. II.B, decision 39/105, para.(c)).

Box I.1
Classification of Statistical Activities

The Classification of Statistical Activities (CSA) is an international standard for describing and categorizing official statistical work by domain. CSA categorizes tourism statistics as a subject area in domain 2 ("Economic statistics") (first level) and under 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: United Nations Economic Commission for Europe (2009).

1.7. The national STS as part of a National System of Statistics 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", sect. 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;
- Specific tools, methodological references and instruments used at certain stages of the process (concepts, definitions, classifications, databases, etc.);
- 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 (see "The System of Tourism Statistics: basic references", sect. B).

1.11. Countries might develop, in addition to the basic data covered in IRTS 2008, 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 IRTS 2008 and used here. Examples in this regard include information on tourism statistics, so-called tourism products (e.g., sun and beach, cultural tourism), attractions visited, and comparative of prices and taxes on tourism products.

1.12. It should be noted 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 and migration authorities, among other entities, collect or are a source of statistics that are a component of an 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 the bodies that are involved in the collection and/or production of statistics relating to tourism (see sect. D below).

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

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

1.14. Such data can be very useful in the absence of IRTS-recommended data. As there could be a wide variety of such potential data sources, a country's NTA may decide that such data are sufficient and consequently that there is no need to invest in the development of an STS meeting international standards. However, UNWTO highly recommends that such countries do invest in implementing the standards. Adherence to these standards provides the data with credibility, internal consistency and international comparability and ensures that the data are compatible with and can serve as an official input to macroeconomic measures such as the national accounts and the balance of payments. Such compatibility confers on the measurement of tourism greater credibility, which in turn facilitates advocacy for the importance of tourism and fosters more effective management of a sector that is nested inherently in the economy.

B. Setting up an internationally consistent System of Tourism Statistics: conceptual framework

1.15. It is worth recalling that the first general set of guidelines of UNWTO on tourism statistics were issued at its fifth General Assembly, held in New Delhi in 1983. The United Nations/UNWTO *Recommendations on Tourism Statistics*, adopted by the Statistical Commission at its twenty-seventh session on 26 February 1993 (see E/1993/26, para. 154 (a)) and published in 1994, represent the first set of international recommendations to be issued on the subject. A second set, relating to the TSA, and entitled *Tourism Satellite Account: Recommended Methodological Framework*, was adopted by the Commission at its thirty-first session on 1 March 2000 (see E/2000/24, para. 18(a)) 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 TSA: RMF 2008, constitute the updated reference framework for all national STSs. Both are essential reference publications for application in the harmonization, coordination and integration of statistical information on tourism (non-monetary indicators, expenditure, consumption, production, and employment). They cover many areas of tourism, although coverage of some of those areas leaves room for further development, namely, employment and certain components of demand (such as collective consumption and gross fixed capital formation) for the purpose of identifying the corresponding components supply.

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

- Analysis of foreign direct investment (FDI) in the tourism industries;
- Development of a subnational perspective;
- Possible 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 Statistical Commission at its special session, held from 11 to 15 April 1994 (see E/1994/29, para. 58), as indicated in chapter 9 of IRTS 2008. The preamble to the Principles was revised at the forty-fourth session of the Commission in 2013 (see E/2013/24, chap. I, sect. A; see also ECOSOC resolution 2013/21).

1.19. The guidance provided by these Principles on the steps required to generate credible statistics, these Principles should be understood as constituting a necessary condition for maintaining users' confidence in tourism statistics. In this regard, public access to the statistics should be maintained at a level of detail that allows for extensive use by a variety of users and guarantees the integrity, transparency and confidentiality of individual level data guaranteed through, e.g., provision of access to microdata[1] only once data confidentiality and the anonymity of individual data have been assured.

[1] Microdata encompass information at the level of individual respondents and their use usually involves large quantities of data. On the other hand, the use of microdata entails a risk if the resulting analysis is based on few observations.

1.20. Tourism characteristically cuts across many domains and disciplines. However, it cannot be defined from the supply side, that is, either by a set of products or by specific production activities, albeit some products and (productive) activities are particularly relevant and are thus defined as "tourism characteristic" (see Chapter V and Chapter VI). Instead, tourism is defined from the demand side, that is, in terms of the activities of consumers who are classified as "visitors" (see Chapter II). This means that it is essential for those setting up and developing an STS to be closely involved with the work in many relevant and 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 constituting:

a) The instrument for identifying and measuring the contribution of tourism to the national economy,[2] as in line with the national accounts framework, and thus allowing comparisons with other economic domains. For example, the percentage of gross domestic product attributable to tourism as derived from the TSA can be compared to the percentage of GDP attributable to agriculture as derived from the core national accounts;

b) A systematic means of achieving 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 up a full-fledged STS, because the process 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 (where for instance, annual data are consistent with monthly or quarterly data, demand data match information on supply, and 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. Those relationships should be based not only on shared concept but also on shared analyses of the data and the coordination of overlapping statistical operations, so as to ensure consistent measurements.

[2] The TSA covers the direct contribution of tourism in the economy. It is not designed to generate the wider economic impact of tourism (entailing its direct, indirect and induced effects) which policymakers are often interested in. However, a TSA is the requisite starting point for understanding these broader impacts of tourism on national economies. For more information, see TSA: RMF 2008, annex 6.

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 that sets of data may be obtained that are sufficiently accurate to allow more advanced international comparability; and enabling countries to identify their statistical gaps and providing guidance on how to fill them;

b) Fostering more efficient design and monitoring of tourism policies, for example, in the area of marketing, or in relation to competitiveness and employment in the sector;

c) Providing information for businesses in the context of their decision-making process.

C. Setting up an internationally consistent System of Tourism Statistics: international comparability of basic data and indicators

1.23. Following the adoption of IRTS 2008 by the 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 for statistics to be created 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] These units are related and ultimately yield the basic data and indicators.

1.25. Statistical units are defined as the entities about which information is sought and for which statistics are compiled. These may be identifiable legal or physical entities or statistical constructs. Statistical units can be divided into:

- **Observation units,** which are the entities for which information is received and statistics are compiled
- **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 are possible using data on observation units

1.26. See also the examples in Box I.2. 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 has 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 to tourism is provided in chap. II, sect. B.3). Visitors are often both observation units and reporting units, as is the case for visitor surveys. In addition, visitors may

Box I.2
Examples of observation, analytical and reporting units

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 United Nations (2008d), *International Standard Industrial Classification of All Economic Activities* (ISIC), Rev.4, available at http://unstats.un.org/unsd/cr/registry/isic-4.asp (30-05-2014), paras. 67-70.

4 United Nations Statistical Commission and United Nations Economic Commission for Europe (2000), *Terminology on Statistical Metadata*, Conference of European Statisticians Statistical Standards and Studies, No. 53, available at http://www.unece.org/stats/publications/53metadaterminology.pdf (30-05-2014), p. 27.

sometimes provide information on the parties or 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).

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 enterprise.

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 presented, although they should not be considered one to one.

Figure I.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. 6.15-6.16	Enterprise/establishment	Output
		Intermediate consumption
		Gross added value
		Compensation of employees
		Gross fixed capital formation
		Rooms, bed places (room or bed), occupancy rates, etc., specific to the particular tourism industry
		…
Employment IRTS 2008 para. 7.4-7.9	Establishment/ household/person/job	Persons employed
		Size
		Status in employment (employees, self-employed, etc.))
		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. That the statistical process resulting in official tourism statistics requires participation of many stakeholders is owing not least to the interdisciplinary character of tourism. The successful development of a 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 with a view to creating a common data set. All institutions that are associated with tourism statistics, either as provider of information or as user, should be committed to actively participating in a coordinated manner in the development of the STS. The present section provides an overview of the governance related implications of developing a System of Tourism Statistics (see chap. VIII, sect. D).

1.31. For many of these institutions, participation in the process of producing tourism statistics may not rank high on their list or priorities. Therefore, establishing a set of agreements on the division of responsibilities among the institutions that might be instrumental from the compilation of tourism statistics and the TSA, is absolutely essential (see IRTS 2008, chap. 9, sect. D for a brief discussion on the issue of inter-agency cooperation). Such agreements are now generally referred to by the Statistical Commission as institutional arrangements, which are 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 to be derived from such institutional cooperation (see also paras. 8.30-8.31). Through institutional cooperation and support:

- Stakeholders learn to understand their fundamental role within the statistical process, and become more willing to make the efforts needed to provide the information produced on time and in the exact format required;
- The project takes on the status of a "state or national initiative";
- Access to the necessary funding from within or outside the country is facilitated;
- The results are provided with legitimacy and credibility;
- A contribution is made to ensuring that tourism statistics are compiled and disseminated with maximum efficiency;
- There is a greater guarantees that the effort to improve the national System of Tourism Statistics will be sustainable.

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

a) Bodies that produce statistics and basic tourism information:

i) National Statistical Offices, as producers of basic statistics and compilers of national accounts;

ii) National Tourism Administrations, as the entities responsible for public policy on tourism and for the coordination of public and private stakeholders;

iii) Central banks, which often compile the balance of payments;

iv) Immigration and border protection authorities, as they are responsible for border procedures;

v) Associations of national tourism enterprises, as they often provide information and are 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 country circumstances, the involvement of customs administrations, ministries of trade and economy, and ministries of finance and tax authorities, among others, may be significant as well.

1.34. The decision on how such an Inter-institutional Platform should be set up will depend heavily on the organization of the statistical system of the country and on how institutions are used in the setting up of structures for collaboration on the development of common projects. Chapter VIII examines the specific forms that collaboration agreements between entities might take and the structural basis (i.e., the levels of decision-making) of such collaboration.

1.35. All of the above-mentioned institutions should participate in the activities centred on the description and evaluation of tourism and contribute, in a well-ordered fashion, all of their information and knowledge on the specific and general facets of tourism in their country.

Chapter 2

The demand perspective: conceptual background and related observation issues

The present chapter is organized as follows: A brief introduction (sect. A) is succeeded by a presentation of the basic concepts of IRTS 2008 and an explanation of how those concepts can be operationalized to facilitate observation and collection of data, including a discussion of statistical units (sect. B). Section C examines the characteristics of the main statistical units (tourism trips and visitors). The chapter concludes (sect. D) with a brief discussion of how to qualify tourism (inbound, domestic and outbound) within the context of borders so as to determine with which economy the economic effects of tourism should be associated.

A. Introduction

2.1. Chapter 2 of IRTS 2008 identifies and quantifies visitor activity based on both monetary and 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, paras. 2.41-2.49) involving the acquisition of:

a) A good or a service in the market; or

b) Non-market goods and services provided either on own account (e.g., accommodation services provided by vacation homes) or by government or non-profit institutions serving households (NPISH) to visitors.

These activities represent the actions and behaviours of people in preparation for and during a tourism trip (as defined in IRTS 2008, para. 2.29) 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). Payments associated with expenditure during or before the trip are recorded on an accrual (not cash) basis, to ensure consistency with other macroeconomic frameworks (the national accounts and the 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 for other economies. China, for instance, produces souvenirs for purchase by 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 third-country C. Such third-country impacts are excluded from the measurement of (direct) tourism expenditure.[7] Economic modelling, on the other hand, tries to take into account these indirect impacts.

[5] This represents a departure from the recommendations in the IRTS 2008. The main differences between IRTS 2008 and the *1993 Recommendations on Tourism Statistics* are set out in annex I of IRTS 2008.

[6] International organizations have started to examine to what extend internationally traded goods and services comprise inputs from various countries around the world. The flows of goods and services within global production chains are not always reflected in conventional measures of international trade. The joint OECD–World Trade Organization Measuring Trade in Value Added initiative addresses this issue. See also Sturgeon, T. J. (2013), *Global Value Chains and Economic Globalization — Towards a New Measurement Framework*, available at http://epp.eurostat.ec.europa.eu/portal/page/portal/european_business/documents/Sturgeon_report_Eurostat.pdf (30-05-2014).

[7] In addition, tourism expenditure usually excludes additional effects on third parties not involved in the transaction (externalities). From the perspective of those affected, the 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 Chapter 2 of IRTS 2008, (see also the Glossary of terms in the present publication).

2.5. This 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. This compilation guide shares concepts of "country of residence" and "country (or economy) of reference" with related frameworks, such as the System of National Accounts 2008 (2008 SNA) and the *Balance of Payments and International Investment Position Manual*, Sixth Edition (BPM6); and the formulation of the concepts in all of those frameworks is based on the same criteria (IRTS 2008, paras. 2.16-2.18).

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

[8] The 2008 SNA (para. 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."

2.8. 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 or 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, paras. 2.19-2.20). Migration authorities, however, because of their specific function, tend to classify travellers by nationality. In the case of nationals, they tend not to be concerned about their place of actual residence.

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

2.11. Application of the balance-of-payments (BPM6) criterion (see para. 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 para. 1.12 above) to ensure consistency with all related compilation frameworks i.e., frameworks for migration and tourism statistics; 2008 SNA (para. 26.37); and BPM6 (para. 4.117). The country of residence so determined may be different from a traveller's legal country of residence.

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 rather than tourist sites that are of more interest to 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 (para. 2.18), recommends the same definition for "place of usual residence" as determined in household surveys, which usually follows the United Nations publication *Principles and Recommendations for Population and Housing Censuses*. *Principles and Recommendation for Population and Housing Censuses*, revision 2, 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" (para. 1.461). It is also 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 (para. 1.463). It is further recommended that "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" (para. 1.464).[9] Most persons will state that their place of usual residence is that of his or her principal dwelling, that is to say, where most of the person's time is spent in the year.

[9] See also *Recommendations on Statistics of International Migration*, revision 1.

2.15. IRTS 2008 does not specify any duration threshold beyond which a person's place of stay turns into his or her place of usual residence. Therefore, this Guide advises countries to follow the United Nations recommendations cited above to ensure better international data comparability and also because they are consistent with the one-year criterion used for determining country of residence in national accounts and balance of payments.

2.16. There is one case, not only in tourism statistics but also in population and migration statistics and balance-of-payments statistics, where a person need not have lived in a country or place for one year in order for it to be considered his or her place of residence: when a person has migrated to a place within the past year and intends to live there for more than one year, the place is treated as that person's place of residence upon his or her immediate arrival in there.

2.17. BPM6 (para. 4.117) and *Principles and Recommendations for Population and Housing Censuses*, revision 2 (para.1.463) offer additional bases for establishing a household's country of residence which are also applicable in determining place of usual residence, as provided in Box II.1 for easy reference. Box II.2 offers a country example in this regard.

Box II.1
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. Although 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 (2009).

Box II.2
Definition of country of residence: example of Austria

In the case of Austria, in respect of 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 Register of Residents of the Ministry of the 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 necessary to determine only the place of usual residence within the country.

Source: Statistics Austria (2013).

B.2. 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 or her usual environment (IRTS 2008, para. 2.9).

2.20. IRTS 2008 (para. 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 or her regular life routines."

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

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 worldwide statistical and operational definition of an individual's usual environment (see IRTS 2008, para. 2.24).

Box II.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 set up in 2002 to study different country experiences in defining the usual environment and to present a proposal, on how to define in an operative way, the concept of "usual environment" in relation to domestic product.

Within this framework, IET included research on the effect of choosing different criteria for defining the usual environment based 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" (p. 30).

"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" (p. 30).

"Using the usual environment concept as a respondent category introduces subjectivity, confusion and unsystematic variation in reported travel activity" (p. 30).

"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" (p. 30).

"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 purposes of international reporting, cumulative statistics and analysis" (p. 30).

"For Canada, however (and possibly other countries with very large areas and similarly low population densities such as Australia and the Russian Federation), the exceedingly large size of some administrative units in sparsely settled regions (which are larger than many other whole countries) requires some supplementary criterion" (p. 31).

Source: World Tourism Organization (2003b).

2.23. Based on the evidence generated by this research, still generally valid today, and on relevant recommendations in IRTS 2008 (paras. 2.21-2.28 and 2.50-2.53), the operational definition of an individual's usual environment should be flexible. The use of four possible criteria is recommended, namely:

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.

No single criterion is dominant. However, frequency and duration are essential and it is recommended that the remaining two be applied to the definition of usual environment, if possible (IRTS 2008, para. 2.53). When disseminating the results, each country should clearly indicate what criteria were used.

B.2.1. Criterion of 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 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 (see IRTS 2008, paras. 2.23-2.24).

2.25. Vacation homes, on the other hand, even if frequently or routinely visited, are considered to be outside the usual environment (IRTS 2008, para. 2.28), as those visits constitute a break from the regular routine of (in most cases, urban) life. Only in certain exceptional cases—and particularly when they are situated within the same locality as the individual's place of residence, so that no large distances are covered and no administrative borders are crossed (as is sometimes the case 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 in a country area close to a city, with one household member working in the city centre and the household owning or leasing a secondary dwelling in the city, both dwellings are considered part of the usual environment and are therefore not vacation homes. Vacation homes should be classified as such through the information provided by 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, paras. 2.52-2.53).

2.28. The factor of repetition of trips by an individual can influence whether they are classified or not tourism trips (IRTS 2008, paras. 2.23-2.24 and Box II.4 below). In this regard:

- Routine trips to the same place, once or more per week, tend not to be considered tourism trips; such places are treated as part of the traveller's usual environment (here the frequency criterion is applied to the definition of usual environment).
- Trips taken by students (whether frequently or not) travelling 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, trips by workers travelling between their place of work 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.

Box II.4
Repetition of trips

For the purpose of marketing analysis, identifying "repeat" trips taken 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 II.5
"Once a week" frequency criterion in Australia

Tourism Research Australia adopts a "once a week" frequency criterion for defining "usual environment". Other usual environment-related criteria include whether the respondent commutes to and from usual place of work or study; and whether his or her travel is an intrinsic part of their job, e.g., as bus driver or aircrew.

Source: Australian Bureau of Statistics (2013).

B.2.2. Criterion of duration

2.29. IRTS 2008 (para. 2.33) recommends that countries should "define the minimum duration of stops to be considered as tourism visits". Some country examples of the minimum duration criterion are listed in Table II.1.

B.2.3. Criterion of administrative border

2.30. One criterion should be whether an administrative border is crossed, combined, if necessary, that of with physical distance (IRTS 2008, paras. 2.52-2.53); in some small countries (particularly small island countries), based on these criteria, all movements by residents within the country may end up being regarded as occurring within the usual environment, which would mean that there is no domestic tourism.

B.2.4. Criterion of 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 II.1.

Table II.1
Criteria for usual environment in selected countries

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

Source: Ministry of Tourism of Egypt (2011).

B.2.5. Summary

2.32. To determine the usual environment, countries should use the following 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 or regional) or national borders, particularly for populations living in their vicinity or frequently travelling between their household's place of residence and their place of work or study (see Box II.6 for a hypothetic example and Box II.7-Box II.11 for country examples).

Box II.6
Definition of the usual environment: hypothetical example

		Country A uses three criteria to define the usual environment		
Criterion	⇩	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		
Criterion	⇩	Traveller 1	Traveller 2	Traveller 3
Frequency (regular, irregular, "once a week" rule.	Applied	irregular	irregular	regular, once a week
Duration (set to four hours)	Applied	more than 4 hours	more than 4 hours	more than 4 hours
Administrative borders	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: Countries A and B should be determine whether the person travels to a vacation home. Trips to vacation homes are usually tourism trips.

Box II.7
Definition of the usual environment: example of Australia

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

Same-day visitor. Travelled a distance of at least 50 kilometres and was away from home for at least four 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 or school and home.

Source: Australian Bureau of Statistics (2013).

Box II.8
Criteria for the usual environment: example of New Zealand

In New Zealand in order for a tourist to be outside his or her usual environment at least one of the following conditions must be satisfied:

- He or she travels via a scheduled flight or an inter-island ferry service
- He or she travels more than 40 kilometres from his or her residence (one way) and outside the area commuted to for work or visited daily
- He or she travels as an international tourist.

Source: Statistics New Zealand (2013).

Box II.9
Definition of the usual environment: example of Austria

Statistics Austria identifies domestic and outbound trips through telephone interviews (sample surveys via CATI); hence, the definition of usual environment currently in use is a broad one. It lacks a minimum duration threshold, but does take into account the respondent's subjective feeling regarding whether his or her trip should be considered a tourism trip.

Respondents are first asked if they have made a trip for private or business reasons, which could include visits to friends or relatives or to a vacation home 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 II.10
Definition of the usual environment: example of Georgia

In the context of tourism statistics, the National Tourism Administration of Georgia uses, simultaneously, two criteria for classification: location and regularity.

The location criterion takes into consideration the municipal structure of the country; that is, as regards defining the usual environment, it is crucial to determine whether a domestic traveller has made a trip out of his or her municipality. Travel inside the municipality of residence is considered movement within the usual environment. Hence, these types of travellers are excluded from the category of domestic visitors.

The second criterion establishes a specific frequency of visits that is considered regular. In particular, if a Georgian domestic traveller visits another municipality less than once every two weeks, the visit is not considered regular and is therefore classified as a domestic visit. In contrast, visits that occur more frequently than once every two weeks are not so classified, as they are understood to be regular trips, i.e., these types of travellers are excluded from the category of domestic visitors.

Utilizing the above methods, the National Tourism Administration conducts a 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 years or over, who had visit-related experience in the country within the last month.

Source: Georgia, National Tourism Administration (2013).

Box II.11
Definition of the usual environment: example of Egypt

Egypt has adopted a definition of the usual environment based on the habituation criterion, according to which a trip undertaken is not outside the usual environment if it is repetitive, regardless of geographical location or time limits.

Source: Ministry of Tourism of Egypt (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, para. 1.11) of being a visitor.

2.34. Visitors represent a subset of travellers. (The traveller "concept" is implicit in the balance of payments: BPM6 now uses the terms "resident" and "non-resident" instead). In the compilation of tourism data, distinguishing between the concepts of "visitor" and "traveller" is crucial.

2.35. A visitor is in a transient situation, which refers to the relationship between a traveller and the country or place that he or 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 regarded as being visited (so that the traveller concerned can be considered a visitor there), the traveller must stay in that place for a minimum duration and engage in some kind of activity, even if it is non-economic in character for example, a free-of-charge visit to a landmark. Driving through a place (e.g., transit through a town) without stopping is not considered a visit for the purpose of tourism statistics (although it may be relevant to studies of mobility, whose aim is to determine where, for instance, road infrastructure might be required).

2.36. It should be recalled that observing a tourism trip or visit (see sects. B.3.2 and B.3.3 below) 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, para. 2.34) although the language used is often ambiguous, referring to persons rather than 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 (para. 2.9) defines a tourism trip as a trip taken by a traveller to a main destination outside his or 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:

a) That of the traveller (visitor);

b) That the perspective of the place(s) visited.

The meaning of the term "trip" in one case is slightly different from the meaning in the other.

2.39. **The perspective of the traveller (visitor).** Aspects or attributes of the traveller's (visitor's) trip are usually gathered through surveys of travellers (visitors). In this case, the term "trip" refers to a round trip, including all destinations visited, from

and back to the traveller's 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 the places visited.** This applies when the focus of the data being collected is that of a destination (either a whole country or a place within a country), which desires information on the numbers of visitors and the attributes of their visits. The information is usually obtained through 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 marking that traveller's 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 or her usual environment until he or she returns there. In the case of inbound tourism statistics, the term refers to "the travel of a visitor" (see para. 2.35 above) "from the time of arriving in a country" (place) "to the time of leaving" (see IRTS 2008, para. 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 if the level of data collection is extremely detailed.

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, visiting, say, three destinations (see chap. III, sect. C.2.2.2), he or she could be included in the number of people visiting each of the destinations. That is to say, if the statistics on the numbers of visitors to those destinations were summed, they would reflect a total of three visits for that visitor. However, from the national-level perspective, that person counts for only one visit, or trip. Consequently, at the national level, statistics on visits to destinations (local or regional) cannot be summed to provide statistics on numbers of visits, or trips.

2.44. One particular case involves a single individual, who, as part of a single journey, makes different stops at a country, other than that of his or 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). The question is then 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 subject 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 in a different place within that country on days off. Diplomats might travel for personal reasons within the country where they are stationed (see IRTS 2008, para. 2.45). Usually, this fact might not be statistically significant, but in some places where diplomats make up a significant part of the population (for instance, Brussels and Luxembourg) 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, (paras. 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 in some way. As part, most or all of a travel party's expenses—transportation, accommodation, food—are shared, expenditures cannot be attributed to individual members of the travel party.

2.47. A travel party is not a "household", in the sense given to that term in statistics on households (national accounts), since it is not a stable economic unit, but only an incidental one, which lasts only for the duration of the trip. However, in many cases, a travel party will comprise all members of a household, e.g., a couple or a family travelling 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 expenditures of the travel party has been established, each member of the travel party is assigned the expenditure associated with him or her, and it is this individual expenditure that will be taken into consideration in the estimations of total tourism expenditure.A travel party is not a "household", in the sense given to that term in statistics on households (National Accounts), since it is not a stable economic unit, but only an incidental one, which lasts only for the duration of the trip. However, in many cases, a travel party will comprise all members of a household, e.g., a couple or a family travelling 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 expenditures of the travel party has been established, each member of the travel party is assigned the expenditure associated with him or her, and it is this individual expenditure that will be taken into consideration in the estimations of total tourism expenditure.

2.48. As a consequence, it is recommended that children not be excluded from the sample. Since they travel mostly in parties, information on children might be collected with the help of an accompanying adult.s a simple average (the same for all products) or depending on the products consumed, based on more complex formulas. Such formulas might take into consideration the age structure of the travel party's membership, e.g., the number of children and of adults in the party (see para. 4.78 below). These estimates are then added to the figures corresponding to individual expenditure (IRTS 2008, para. 4.36(i) and box 4.2) so as to establish the expenditure of each individual.

2.49. In this regard, 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. Such information is also important for planning with respect to destinations (for instance, determining the sizes of hotel rooms).

2.50. It is also important that information be collected on the composition of a travel party, particularly in the case of families with children, which constitute a very special market with specific interests and needs (e.g., for babysitters, children's activities and specific types of supervision). Here again, average expenditure per capita per day will be influenced by the age profile as well as the size of the travel party (see para. 4.78 and IRTS 2008, paras. 3.2-3.5).

Box II.12
How to treat child visitors in the sample design

There is no age restriction associated with in the definition of "visitor". Consequently, children are treated in statistics as visitors if they meet the standard definition criteria. For the most part, children 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 travel mostly with adults (whether family members or not) the characteristics of their trip are usually determined by the characteristics of the trip of the accompanying adult.

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 followed, usually, by all persons of the household, whereas in border surveys, usually all persons aboard a plane, or bus or in a car are selected.

Some countries use an age cut off, so that, for example, only people over age 16 are interviewed and their corresponding information collected. In such cases, the grossing up procedure should entail the inclusion only of persons over the cut off, with tourism expenditure referring to this population only.

For household surveys, as the reference population might be known by age group (e.g., from a population census), grossing up would be easy. For border surveys, this is unlikely to be the case, so that 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 that of persons not travelling in parties because in parties, e.g., accommodation is shared and transportation is undertaken in a single car.

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

Source: Statistics Austria.

2.51. It is possible that a travel party may comprise members of different households, which can cause certain complications as regards collecting data on domestic and outbound tourism in cases where household surveys are the recommended collection methodology. In these cases, the household is usually the selection unit, i.e., households are sampled. When a household is selected, either an individual within, or all members of, that household are chosen for interviewing. In cases, where a selected individual has taken a trip in a party that comprises a member of another household, then only the characteristics of the trip relating to the selected person should be obtained. Details

Box II.13
Expenditures per person a sample survey: example of Austria

In the Austrian sample surveys concerning domestic and outbound trips of Austrians aged 15 or over, the expenditure questions (different from all oth`er questions) are formulated 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. Hence, the number of grown-ups and the number of children among the accompanying household members are also surveyed. In the breakdown of expenditure, the assumption is made that the grown-ups share the expenditures of the children.

Source: Statistics Austria.

relating to the member of the other household should not be obtained, as that other household has its own probability of being selected from the population of households. However, if expenditure is shared by travel party members who are in different households, then this information must be recorded to enable accurate average expenditure per visitor to be calculated. Luckily, it is likely that members of different households will have separate, rather than shared, expenditure.

2.52. In the case of travel parties, the main purpose of the trip should be the one that is central to the decision of 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 sect. C.1.1 of this chapter).

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 highly valuable in marketing analysis. For instance, in the case of a visitor who comes to a place to attend a conference and is accompanied by his or 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 to explore the various 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 participants in 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 and 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 for identifying a travel group or a travel party:

- If all persons in the group pay an identifiable—but not necessarily the same—amount, the group is a "travel group"
- If there is (at least) one person in a group who does not pay an identifiable amount for or during the trip, the group is a "travel party" because at least some expenses are pooled.

As a practical consideration, countries should recognize 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, compilers should keep in mind that households per se do not travel.

Box II.14
Travel group or travel party?: hypothetical example

A group of four young adults travel together by car from Belgium to southern France. They make decisions together, e.g., what they do and where they go. One of the four is the owner of the car. It is decided that the cost of fuel will be shared among all four young adults and, in addition, that the owner of the car will be compensated by the other three for its use during the trip (with compensation being equal to the cost of wear and tear). Although the four seeming to "pool" their expenses, in fact each one pays a specific amount for and during the trip, therefore it is a travel group.

2.56. In common parlance, the word "trip" can be used in association with either a visitor or a travel group or party; however, this is not the case in tourism statistics. A trip taken by a group or party of *n* persons is considered *n* trips. The individuals concerned might include adults, male or female, or children.[10] Usually, travel parties and travel groups are not observed directly. They are not considered 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.

[10] Special attention should be given to how trips are measured (whether by border or household survey). See also chapter III sect. D.2.1.

C. Characteristics of the main statistical units

C.1. Characteristics of tourism trips (see IRTS 2008, para. 3.9)

2.57. The characteristics of tourism trips are:

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

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

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 regard.

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" (para. 3.10). When considering tourism trips, this main purpose must be "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" (para. 2.9). The main purpose of visitors travelling within a travel group or travel party is discussed in section B.3.4.

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 during his or her stay planned by a traveller and contributes significantly to the level and pattern of his or her expenditure. A person travelling mainly for business will usually stay in types of hotels that are different, (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 reserved for children's activities. Tourism policy design must consider that business visitors will respond to different types of incentives and will require that their specific needs be met.

2.63. As previously mentioned, the identification of visitors' secondary activities may be relevant for planning and promotion and purposes of policy analysis. It may

be useful, in particular, for policymakers to know how visitors are responding to the diversified activities at a destination and to strategies for motivating extended stays in the country, region or place visited.

2.64. Distinguishing the main purpose of a trip, even of individuals travelling alone, is not always a straightforward undertaking. Yet, the criterion must always be the same: "the purpose in the absence of which the trip would not have been made". For example, a person may visit a destination for two days to conduct business and may then stay on to sightsee for an additional three days. Based on our criterion, this is a business trip, with the leisure activity—even if of longer and associated with duration and greater expenditure—categorized 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 comes along for the purpose of leisure only, the trip would not have been made in the absence of the business purpose. The purpose of the trip is, therefore "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 or 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 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, it will be important to create a separate category for such travellers, if they are sufficiently numerous (IRTS 2008, paras. 2.35-2.38).

2.66. On the other hand, performers travelling to present a show, invited lecturers or speakers, or technicians sent to install or repair equipment will be considered visitors, even if they are paid in the country visited, because they are not in an employer-employee relationship where a resident producer, as defined by BPM6 (para. 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 (if they are considered sufficiently important) under either category (IRTS 2008, paras. 3.19-3.20). To permit aggregation and international classification and comparisons, those additional subcategories with need to be defined according to the same hierarchical structure. On the other hand, if the number of cases is insufficient to make an internationally defined subcategory meaningful, it might be necessary to merge subcategories. In any case, the distinction between "business" and "personal" and the identification of trips for health and medical care and those for education purposes should at least meet the requirements for the compilation of the supplementary travel data recommended for balance-of-payments statistics (see BPM6, para. 10.87).

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

2.69. The main subcategories are listed below. It should be noted that, in terms of incorporating this recommended classification in visitor surveys, the ordering and the nesting of the categories and subcategories 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 purposes to be succeeded by second-level questions which can determine further detail (such as that of the subcategories 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 II.15
Modifying the proposed list of purposes

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

When creating new subcategories or introducing recommended ones, countries should be aware that each subcategory should encompass 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 subcategory of purpose. It would be important, however, to ensure beforehand that the number of observations in the sample will be sufficient for the development of a set of statistically sound 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 II.16
Characteristics of tourism trips: example of Spain

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

- 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

Source: Instituto de Estudios Turísticos (IET)

2.70. Classifying the main purpose of a trip might require the adaptation by some countries of their existing classifications. For example, countries where a number of visitors arrive on cruise ships or yachts as part of a trip which also includes numerous visits to other places and countries, should offer a specific subcategory of purpose enabling such visitors to classify themselves as "taking a cruise or yachting", under the subclass "holidays, leisure and recreation", with no other purpose or specific destination, though this is not always the case, as illustrated by the following country experience (see Box II.17)

Box II.17
Definition of "cruise passenger": example of the Bahamas

The statement that "cruises have no destination" is not applicable to the Bahamas because the destination(s) visited on a cruise are the criterion for selection of the cruise.

The Caribbean Tourism Organization 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 of the Ministry of Tourism and Aviation of the Bahamas 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 conducted a Cruise Market Profile Study, which entailed interviewing 2,426 residents of the United States who were at least 25 years of age and had a minimum household income of $40,000. Respondents in this study identified appealing places to cruise, with 43 per cent indicating that the Caribbean was their top cruise destination of choice. Alaska, the Bahamas, Hawaii and the Mediterranean/Greek islands were also top choices. Eighty per cent of cruisers agreed that cruise vacations are a good way to sample destinations they might wish to visit again.

The Cruise Lines International Association updated the Cruise Market Profile Study in 2011 and added annual studies like the "cruise industry report" and further economic studies.

Source: Bahamas, Ministry of Tourism.

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, regardless of whether it is the visitor's own decision or the decision of, e.g., a medical board or a social insurance system. This ensures consistency with supply-side statistics and with the design of regional policies to whose aim is promote development of supply for such visitors.

2.72. In the case of international flows of travellers, migration authorities frequently ask for the purpose of visits. So as 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. On the other hand, it might not be possible for those observing travellers at places of accommodation to differentiate between people travelling for personal reasons and those travelling for business reasons.

C.1.2. Types of tourism products

2.74. The concept of "types of tourism products" has been introduced mainly by travel agencies and packagers, as a marketing instrument for gearing supply towards

specific markets interested in particular aspects of the places visited. Examples might include ecotourism, green tourism, cultural tourism and city tourism.

2.75. Although IRTS 2008 does mention types of tourism products as a relevant issue, it has not yet made any specific recommendation in this regard. It cannot be denied that there is a need to create some kind of parameters to define and segment the different types of tourism products, but work still needs to be done on how to go about this from the perspective of international statistics. Countries should carefully consider whether this characterization is meaningful for their analysis of demand before introducing the concept of types of tourism products within their classifications and questionnaires. Visitors who respond to surveys might not always have a clear understanding of the concept, especially those who arrange their own trips instead of purchasing a package or those travelling to visit family and friends.

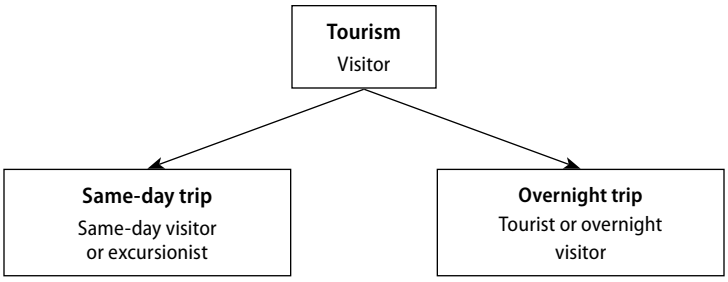
2.76. The concept of "types of tourism products" should not be confused with the SNA concept of products nor do these products belong to any associated codes or classification of goods and services, such as the Central Product Classification (CPC) Ver.2, the Classification of Individual Consumption According 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 V) which are identified through COICOP.

C.1.3. Duration

2.77. Estimates of the "volume" of tourism, to be discussed in greater detail, are based not only 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 the number of nights.[11] The total stays of excursionists are measured in the number of days.

[11] Therefore, tourists should be asked how many nights (not days) they stayed in a place or country. However, it is often the case that only a tourist's day of arrival and day of departure are known. In these cases, it can usually be assumed that the number of nights equals number of days separating the day of arrival from the day of departure, plus one.

Figure II.1
Same-day visitor versus tourist



2.78. If an overnight stay by a visitor is involved, then he or she is considered a "tourist" irrespective of the form of accommodation used. This differs from the criterion used by many countries or organizations which count overnight stays only if spent in a formal place of accommodation (see Box II.17 on the example of the Bahamas).

2.79. The question how to treat a visitor's activities extending beyond midnight (e.g., while attending a football match, a show or a party outside his or her usual environment) may also need to be considered. It is recommended that such activities as do not involve finding a place to rest until the next morning should not be considered as

entailing an overnight stay. 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 if no organized form of accommodation is provided.

2.80. IRTS 2008 makes no specific recommendation regarding classification of length of stay, since the selection of categories for inclusion 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 per cent of the total number of trips so as to sidestep difficulties in obtaining statistically valid observations from samples. Measuring inbound tourist stays lasting more than 91 nights might be a challenge, since, often, migration authorities 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 daily and total tourism expenditure.

2.81. The duration of a trip must correspond to the actual duration of stay (during which tourism occurs), not to its authorized duration. 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, not on observations at the time of departure. This situation occurs frequently 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, the period of absence from Europe of a person who flies from Europe to, say, Australia and back (each flight taking roughly 24 hours), would be two days longer than the recorded length of stay in Australia. This has to be taken into consideration when data on trips from a point of origin (outbound and domestic tourism) are compared 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 average length of stay as measured by observing them, since they 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, (para. 2.31) defines the main destination of a tourism trip as "the place visited that is central to the decision to take the trip". 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 should be 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 to be defined as the place farthest from his or her place of usual residence. Nevertheless, various destinations might be visited during a trip. As a consequence, expenditures that might be made in other destinations or countries also visited on a trip will be allocated to the "main destination". A main destination should correspond to each trip.

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

2.86. Matching origins with destinations can yield important information from a marketing perspective (see also Box II.18). 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, in the way that they have been defined above.

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

Box II.18

Comparing origin and destination using administrative data in the origin and the destination country

South Africa has examined the difficulty of determining the origin and the destination country for international trips, comparing the data for South African visitors to New Zealand and from New Zealand to South Africa visitors, through use of administrative records.

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

Source: Ubomba-Jaswa, S. (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, para. 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 formulated differently in some countries or territories. In the case of islands, for instance, the mode of transport might be the one used to reach the island (by air, say, or water), even if not that of which the longest distance is travelled, since 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 often constitute a relevant explanatory variable for average expenditure per day.

2.91. IRTS 2008, (figure 3.2) proposes a detailed breakdown of possible modes of transport. 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 accom-

modation services refer to accommodation only or to food as well (breakfast, half board or 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 chap. VI, sect. 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, provides 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 V.

Box II.19
Non-rented accommodation: example of Austria

The results from estimations show the importance of non-rented accommodation in Austria. Approximately 75 per cent of all arrivals and nights are spent in rented accommodation, but every fourth arrival stays in non-rented accommodation.

With a view to gathering information about non-residents who stay with friends and relatives in Austria, some questions were added to the quarterly sample surveys which traditionally have been posed questions, in additional to the traditional ones, on concern only domestic and outbound tourism. Since 2008, respondents accommodation provided by them to non-resident friends and relatives (with a breakdown by type of trip and country of origin). Through a grossing up of the results, the total number of arrivals and nights spent by non-residents with friends and relatives in Austria was calculated.

Source: Ostertag-Sydler, J. (2010).

Box II.20
Classification of accommodation: example of Egypt

In Egypt, there are two main classifications of accommodation, with data being collected according to the scheme below.

1. Hotel accommodation

Place of accommodation	**(1) Tourist village**	**(2) Hotel**	**(3) Floating hotel**
Number of nights			
a. Hotel rating	(1) 5 stars (2) 4 stars (3) 3 stars (4) Other		
b. Kind of accommodationg	(1) Full board (2) Half board (3) Bed and breakfast (4) Sleep only		

2. Non-hotel accommodation

Place of accommodation	**Number of nights**
4. Medical centre/hospital	
5. Friends or relatives	
6. Hired apartment	
7. Private (apartment, villa, house)	
8. Timeshare	
9. Camps, campsites, youth host	
10. Other (please specify)	
Total	

Source: Ministry of Tourism of Egypt (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, paras. 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 descriptions and analyse in respect of visitors to those above a certain age, for the most part because children cannot be expected to answer questionnaires on purpose of travel, expenditure, etc.[12] Administrative counts of visitor flows (immigration data) treat children like any other travellers: 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, although they do require special treatment (see sect. B.3.4. above).

[12] States members of the European Union must comply with the detailed requirements set out in EU regulations.

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

2.97. Personal characteristics considered meaningful should be taken into consideration during the statistical design of the sample, particularly in the case of travel parties. In addition to the characteristics of the actual (or self-designated) head or leader of a party, the characteristics of each individual in the party should also be identified. This ensures a true and fair picture of visitor characteristics.

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 section D directly below.

D. Forms of tourism: inbound, domestic and 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 place) the economic effects of tourism will be experienced. It is on these issues that the concept of forms of tourism is focused (IRTS 2008, paras. 2.15 and 4.12-4.14).

2.100. With reference to a trip's main destination, IRTS 2008 (para. 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 travel first to the city from which his or her flight departs and he or she may decide to stay there for a few days. This component of the whole trip would be considered as domestic visit.
- An inbound trip, however, includes visits only within the country of reference.

2.101. IRTS 2008 (para. 2.39), distinguishes based on these characteristics, among the three fundamental forms of tourism.

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

2.103. In the tabulation of the information concerning the country of residence or country of destination of outbound visitors, consideration should be given to the difference between the terms "country" and "territory", in particular when the aim is to define geographical groupings for the purpose of designing marketing policies (specific to the country and/or internationally comparable). For international travellers, use of the UNSD classification entitled "countries or areas, codes and abbreviations" is recommended, since the information may pertain to *territories* rather than *countries* in the political sense. Travellers going to or from the territories of France or the Netherlands 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 and travellers coming from neighbouring countries and from within the regions (or country groupings) to which they belong and then identify separately the few other countries from which the

flows of visitors and travellers are important within a grouping by regions, with those remaining countries grouped in major regional categories. For example, 15 Central and Southern African countries are members of the Southern African Development Community (SADC), a body established to promote cooperation among 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. Enumeration of every country in the world in the course of tabulating tourism statistics (as is often the case in migration statistics) might yield misleading results. 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

The present chapter is structured as follows: A brief overview of the importance of measuring the flows of tourism trips and visitors is succeeded by a review of the general measurement issues underlying tourism flows (sect. B). The remaining sections provide and extensive discussion on how to collect data on inbound, domestic and outbound tourism. Section C discusses inbound tourism, with a special focus on tourism as an internationally traded service, and both proposes a two-phased approach for measuring global flows and studies their characteristics in depth. Section D considers domestic tourism, centring on household surveys as the dominant information source, and examines some of the factors that affect statistical design and sampling. Section E, on outbound tourism, draws heavily on the content of the preceding two sections. Sections C to E each conclude with a proposed table 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 organizations working together within the NSS make important beneficial contributions to the quality, consistency and recognition of statistics in all fields.

3.2. The 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 these other economies". (BPM6, para. 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. The present 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 IV will concentrate on the measurement of expenditure.

3.4. As noted in IRTS 2008, (para. 2.12), tourism is a subset of travel. Consequently, the measurement of flows of (international) visitors requires that they be identified from within the total number of (international) travellers. Further, tourism trips have to be identified.[13] The link between tourism and travel explains why both terms may be used throughout this chapter (see IRTS 2008, figure 2.1).

3.5. Countries should understand that the guidelines set out here are of a general kind; hence, each country should adopt those recommendations that best cor-

[13] It is probably extremely costly and burdensome to identify all trips within the usual environment (non-tourism trips) and those outside (tourism trips). Some data on non-tourism trips, e.g., commuting behaviour, are in fact collected and serve other useful purposes besides contributing to tourism analysis.

respond 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 to these guidelines to maximize consistency and international comparability.

3.6. However, although the chapter is focused mostly on inbound tourism, domestic tourism is in fact more important for most countries in terms of number of trips, expenditure and demand for tourism supply (e.g., accommodation, restaurants and transportation). Countries in which this is the case should therefore not give secondary priority to the measurement of domestic tourism variables, i.e., they 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 International Monetary Fund (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 (see IRTS 2008, chap. 8, sect. 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 authority 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 as 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 para. 2.41 above). In particular, trips and visits (see chap. II, sect. 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 a person who has entered the country as a non-visitor but then engages in a secondary tourism activity, e.g., a person arriving in the country to work for a resident business who them takes a tourism trip while in the country, or a foreign diplomat who takes a trip within the country for personal reasons (see para. 2.45 above). If the observation takes a simple count of border crossings, it will not be possible to associate with such an individual all the other trips or visits he or she might have taken during the period of reference. Further, while the statistics might speak of "visitors", what has actually been observed are "arrivals" (or "tourism trips") (see chap. II, sect. B.3). Countries are encouraged to use precise and consistent terminology in all publications associated with the dissemination of tourism statistics data.

3.11. In the case of domestic tourism, if data are collected using a household survey, the trips 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 assigned unambiguously to either of these observation units.

3.12. The same approach would apply to outbound tourism data when measured in a household survey. When measured at the border, however, only visits, fractions of outbound or of 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 between "trip" and "person taking a trip" might be subtle, it should be borne in mind when comparing data drawn from different sources.

Box III.1
Estimation (weighting): example of the Travel Survey of Residents of Canada

Travel Survey of Residents of Canada estimates are produced based on survey data to which weights are applied, making it possible to inflate those data to agree with Canada's non-institutionalized population aged 18 years or over. 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 subweight. The person weight is then adjusted to reflect *(a)* the subsampling of rotation groups on the Labour Force Survey, *(b)* subsampling of people (aged 18 years or over) within a household, *(c)* non-response and *(d)* 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 *(a)* identical trips, *(b)* the ratio of declared to reported trips, *(c)* reported trips missing essential data and *(d)* trip-level non-response. 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 aged (18 years or 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;[14]
- Identifying, within these universes, those travellers who are visitors and those who are non-visitors;
- Establishing the main characteristics of international visitors' trips in terms of:
  — duration
  — main purpose
  — modes of transport
  — types of accommodation used
  — other characteristics (either of the visit/trip or of the international visitor)

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

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

a) Administrative records (border control, reports by airports and operators of public transportation (buses, airlines, railways));

b) Physical counts of flows;

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

3.15. It is worth emphasizing 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 their possible provision of supplementary data). The main motivation for identifying such data lies in the fact that they have already being collected and thus do not entail the appropriation of any additional resources. This is particularly important for countries

without an existing well-developed System of Tourism Statistics, which are usually those whose available resources are most limited. Also, setting up a new survey without investigating what is already available through administrative sources could lead to duplication in cases where the survey data are already available.

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

- Identify in the total population those residents who have travelled within the country one or more times during the reference period;
- Distinguish 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
  - Other characteristics

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

a) Surveying individuals selected directly (most 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);

c) Surveys at accommodation establishments and at tourism attractions which, as in the case of inbound tourism might also be used but which will likely observe legs of 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 policymaking or for balance-of-payments purposes in particular, which should generally be compiled at least once per quarter.[15] 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 which affect different markets of origin and destination with varying degrees of intensity. Such fluctuations should be measured, as they are crucial for understanding tourism flows and designing specific policies.

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

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, in order 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) so as 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) in response to the temporary peaks in demand associated with markedly high seasons.

Box III.2
Measuring seasonality in tourism statistics

The broad aim when analysing time-series data is to be able to recognize significant changes in the direction and level of economic activity. In the field of tourism statistics, there is a recurring seasonal pattern in their time series of many countries which obscures the underlying behaviour of the series. Indeed, seasons exert an unquestionable influence on economic and social activity.

The full presentation (source given 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: Laimer, P. and Ostertag-Sydler, J. (2009).

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 ongoing. However, data might not be processed or turned over to tourism administrations in a constant flow. Quite often, it is difficult for NTAs to obtain 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 such a way as to allow for cross-classification with information on different variables collected simultaneously with the basic count (e.g., country of residence, nationality, length of stay, purpose of visit). In general, NTAs (or NSOs if they are in charge of producing the information) should receive the microdata (with the 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 must 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. Higher-frequency observation does not, however, necessarily increase costs. If the aim is to produce, for example, 120,000 observations, it may be less costly to run the survey continuously throughout the year, and produce 10,000 observations per month with a small team of interviewers who can be kept on throughout the year, rather than produce the 120,000 observations in the summer, which would require a few months of work by a large team.

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 are sufficient, accurate and reliable will require serious attention. In the case of domestic tourism observed through individual or household surveys, use of a longer period of reference will permit more observations but will also raise quality issues, since memories tend to fade (see sect. D.2.2.2). Use of shorter period of reference, on the other hand, will require greater financial and technical resources, because more interviews will be required for the gathering of data on a given number of trips (inasmuch as fewer people will have taken a trip during a shorter period of reference).

C. Inbound tourism

3.23. As previously mentioned, IRTS 2008 focuses on tourism statistics as they relate to other conceptual frameworks, such as balance of payments and national accounts. The present section, will focus on tourism as an internationally traded service. The issues entailed in measuring it as such are appropriately covered in the compilation guides for 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 upon his or her arrival in the country, very little data can be collected on the *visit*, as this has not yet occurred. Similarly, attempting to collect the data during the visitor's trip will be unsatisfactory since that trip will not have been completed. The solution is then to collect the data when the visitor departs from the country. Most countries have a relatively small number of immigration/border posts through which visitors enter and depart and these serve as useful survey points.

3.25. Inbound tourism statistics are usually collected in two phases, reflecting the structuring of data collection at border posts. Phase one involves the use of the administrative data collected by the border protection authorities. Those data identify all travellers, both visitors and non-visitors, although in some countries, high-frequency border crossers, e.g., those crossing 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, hence the data do not provide all that is required by tourism bodies. However, border protection authorities are increasingly working with NTAs to include more information in the data collected (e.g., on the arrival and departure cards) that is purely for tourism purposes. This is the result of the fact that border agencies are becoming increasingly aware of the importance of tourism to their economy.

3.26. It will be useful for the data collected in this phase to include such information as country of residence, main purpose of trip and mode of transport used, which will be especially useful in phase two. This phase is essential inasmuch as not all of the data required for tourism purposes can be collected in phase one. In phase two, which usually involves a sample survey of visitors as they depart the country, such data can be collected as visitors' demographics activities engaged in while in the country, places visited and how much spent while in the country. In the design of such a survey, the data retrieved from phase one can be very useful in providing 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. In this regard, is determining at what stage of the visit and at what location the data should be collected remains an important issue.

3.28. Besides NTAs and NSOs, central banks, which 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 the traveller entering a country be counted? Upon entry, exit or at both points in time? For tourism statistics, the requirements of immigration laws usually ensure the availability of count data from the time both of entry into and of exit from the country. How the question whether to measure at entry or at exit is answered will affect the kind of information that can be obtained

(para. 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 sect. C.2.1).

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 be collected accurately only when the stay ends, i.e., upon departure (see para. 3.65). These characteristics might also be collected, although this occurs less frequently, during the trip (see sect. C.2.2.2) or after the trip (see, for example, Box III.19). Countries should have a clear awareness of when this information, e.g., characteristics of a trip, is collected and to which population it refers, whether "arrivals" or "departures". Reliable information on expenditure can be obtained only upon departure or after the trip. If, however, a country seeks to obtain expenditure information on arrival figures, it will need to work with certain assumptions 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 be collected accurately only 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[16] and reconcile the flows over a given period of time using matching procedures. The matched records are those used in tourism statistics to measure international tourism flows. They often consist of a form divided into two parts with the second having to be turned in upon departure. Computerized systems with electronic passport reading upon both arrival and departure are also used. However, it should be recognized that these border-control procedures are not designed primarily for tourism purposes. Rather, they are usually required for specific immigration controls-related purposes as a means of identifying illegal immigrants, whose stay exceeds its authorized length. With a regular and efficient systematization process in place, entry/departure (E/D) cards used 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 are available only after all tourists authorized for a specific period have left.

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

3.33. Observation of the flows of international visitors and other international travellers inevitably requires the cooperation of various entities and institutions, usually including 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 various other means of access by passenger traffic to the country. All of them should provide support in the design of the observation procedure and act as sources of information to serve as checks and controls for the final data.

3.34. The cooperation of the private sector may also be requested, in particular passenger transport companies (for 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 Union Erasmus Programme, for instance).

3.36. The completeness and quality of arrival data are therefore closely linked to efficient inter-agency cooperation (see chap. I, sect. D, for a discussion of various ways to achieve such cooperation).

Box III.3
International Travel Survey Program of Statistics Canada: Frontier Count

The frontier count of border crossings is conducted using the information collected on entrants into Canada as 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 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 on the number of travellers, country of residence and the type of entry is used to estimate the frontier counts by type of traveller and airport. The data capture is done on a sample basis or on a census basis, depending on the traveller 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 at certain ports of entry the counts of pre-authorized travellers entering by car who hold a special permit, without their 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 (see IRTS 2008, paras. 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 that have abolished their internal borders (as is the case for European countries belonging to the Schengen zone).

Arriving passengers might be in transit on an international journey, entailing either a stop on a continuing flight or a change of planes or even airports. IRTS 2008 (para. 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 engage 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[17] and by other vehicle such as bicycles, motorcycles and animal-drawn carts, which are often utilized by travellers within their usual environments who routinely cross the border and are mainly engaged in shuttle trade or other personal activities.
- **Pedestrians.** People living or working close to a border point might simply walk across it. Nomads might also fall in this category.

[17] It is to be noted 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 may vary from country to country and from post to post. Some countries might control all border crossers while, others might not control any (as is the case for Schengen-type borders). There is a wide range of intermediate approaches.

C 1.1.3. Sea and river

Public and private modes of transport are also used for the crossing of borders by water:

- **Public passenger transport, including ferries and cruises,** is usually provided by established businesses, with boats arriving at organized moorings. Their control by immigration and port authorities is usually strictly organized, with some exceptions.
- **Private passenger transport** (including yachts, sailboats and canoes) is often provided more informally. Boats are usually required to call at authorized moorings only and to report to the local port authority (although they 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 since 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 associated with 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 its 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 para. 3.92 and Box III.15).

- **Countries with special land border zones but 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 of 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 the movements are too frequent (i.e., the same persons move across a border several times a day), their numbers will tend to lack significance. Countries should lump such movements together so as to obtain a unique count of persons.

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

  In certain cases, going from one part of a territory to another (a domestic trip) involves, as it does for Oman, the Russian Federation (Kaliningrad), Malaysia and the United States of America (Alaska), transiting through the territory of another country.

  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 IV, expenditure by a resident of country A during transit through country B falls under the rubric of 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 constitute a particular case. 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, inter alia, be supplied with water, electric power and food and can have easy access to fuel and other bunker. This arrangement facilitates control of the movement of passengers. Additionally, cruise passengers will have specific plans: arriving passengers might stay on board or disembark to visit the country. They will disembark when ending their cruise or in order to board another cruise ship (under what is referred to as the 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 to hop on their next cruise. For the purpose of tourism statistics, each of these situations should be identified and given specific treatment.

Box III.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 the disembarkation of passengers, resident and non-resident visitors can be identified.
- Crew members for public modes of transport, regular or irregular, should be regarded as acting within their usual environment and should thus be excluded from the visitors' category. Crew members for private modes of transport (such as corporate jets and yachts) are considered visitors.
- Some ports have many travellers who are disembarking from cruise ships before departing by air, or who are embarking on cruise ships after arriving by air. Some countries (e.g., in the Caribbean) may have developed special arrangements for such connections with their immigration authorities in order to exempt those travellers from having to follow regular immigration and customs procedures. For statistical analysis, however, these travellers should be treated in the same way as any other non-resident passengers who are changing their mode of transport in the country of reference and should be counted as visitors (usually excursionists, if they do not stay overnight).

- **The case of international cruises calling at different ports in the same country**

  The difficulty in this case lies in the fact that *(a)* if the ship stays in continental waters, it is deemed to be in the country's economic territory, whereas *(b)* once it leaves continental waters, it is deemed to have left that territory. Under scenario *(a)*, clearly, arrivals at different ports would be considered part of a single trip. However, in theory, under scenario *(b)*, the ship (and passengers) will 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 a 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 collecting information on visitors, establishing whether or not the ship crossed the line between continental and international waters may be important, but the exercise is somewhat academic). Such 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 that country, but making a number of visits within it. However, in the case where a cruise ship calls at a port in country A, goes on to visit a port in country B and then travels back to another port in country A, that ship (and it's passengers) should be treated as having made two separate trips to country A.
- **Case of international cruises passing through waterways or by the coastline of a country**

  Passengers on cruise ships (*a*) that do not call in at a port or (*b*) that 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" (see IRTS 2008, para. 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, although not necessarily, on entry/departure (E/D) cards, manifests (sea and river) and advanced passenger information (API) (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, passengers arriving and departing 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 information is published, frequency of publication may not always be monthly
- **Specific sample survey sources.** In countries where no such administrative sources exist, or where the data provided are 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 departures by resident travellers. In some countries where administrative data are available, sample surveys are conducted (phase two) (see sect. C.2 below) to provide additional information on visitors and trips that is 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, para. 2.39). For example, in the case where an outbound visitor is visiting more than one country on his or her trip, possibly only the main destination country is recorded in the departure statistics

3.41. Before moving on to the description of official and complementary administrative sources, it is worthwhile examining Figure III.1 (a) and (b), which illustrates the complexity of the process required to create the universe of international traveller arrivals.[18]

[18] World Tourism Organization (2005a), *Tourism as an international traded service*, available at http://statistics.unwto.org/sites/all/files/docpdf/border.pdf (30-05-2014).

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.18

Border controls

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

3.44. Nevertheless, before using these reports as a basic source of information, for some or all cases of border crossings, it is recommended that there be an overall review which focuses on and clarifies important issues. Some of those issues are discussed directly below:

- 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 to other types of arrival as well (e.g., by sea, land and river)? This issue is particularly relevant for countries with extensive land borders or borders delimited by rivers, where geography makes crossing the border an easy matter or where border controls are absent at some crossings perhaps owing to their isolated location. Border control authorities will usually have an estimate of what is beyond their current control procedure, but this estimation might need to be permanently monitored so that changes in behaviour over time can be detected.
- **Which persons are covered?** Are there specific conditions that exclude some persons from border controls? What is the status of refugees and border workers, for example? 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 analysing 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).
- **Temporal coverage of the flows.** Are the controls of uniform intensity irrespective of the day or hour of the day? If not, the scope of coverage of less stringent controls should be established and periodically updated.
- **Actual content of the data collected.** This pertains to the form of the database and access of tourism analysts to detailed microdata so as to permit, for example, debugging and correction of invalid codes. 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 that use this source only and do not determine whether other information that is needed to measure tourism (such as country of residence) exists elsewhere. In the best of cases, the data provided will be sufficient to frame a border survey (see sect. C.2.2.1 below) covering characteristics of interest. Additionally, neither all the controls in a given country nor the questions asked will be the same at all border points (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 which 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 that are of less direct interest to them are not always adequately collected (e.g., on a national's country of residence, origin or destination, and purpose of trip in detail); 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 the information most usable for tourism analysis.

3.45. Some countries record only minimal data from travellers, which should be used as a first source for tourism purposes. Where countries also use E/D cards, the available data are usually considerably more extensive so as to include, e.g., demographics of travellers, length of stay and main destination in country, and this being the case, should be used to complement the basic administrative data (see Table III.1).

3.46. Data collected by migration authorities through direct capture (optical or machine reading of passports) 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 the border control authorities of more and more countries are moving towards 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 means of collection.

Table III.1
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 country 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 for identifying certain categories of border crossers and determining which of them 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 airfare is part of inbound, outbound or domestic tourism expenditure[a]
Airline	*	Essential for identifying residency of transportation company (particularly for international transport) for TSA; useful for cross-checking with other sources[a]
Intended length of stay	***	Very useful as initial indication of actual length of stay; needs to be confirmed
Accommodation	**	Of some use as initial indication of actual accommodation; needs to be confirmed
Purpose of travel	****	Essential for identifying types of visitors' trips

[a] Also useful for determining whether there is an economic effect in the country of reference, and whether airfare is part of inbound, outbound or domestic tourism expenditure, although code sharing and the possibility of using various airlines on the same journey reduce usefulness.

3.47. As mentioned earlier (see para. 2.9 above), travellers' trips should be classified according to country of residence of the traveller, which is usually approximated using his or her current home address. If the traveller's 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 III.5
Arrivals and departures: example of Egypt

The passport, Immigration and Nationality Authority (PINA) provides the general framework for monitoring the universe of the number of inbound arrivals and the nights they spend in Egypt. While the Authority is monitoring all kinds of ports, air, sea and land, it collects data on the arrivals and departures of travellers from information recorded in entry/departure cards. Those data are categorized and distributed by nationality and/or country of residence and purpose of visit according to two models targeting both Egyptian travellers and foreign travellers.

The Authority sends the data collected to Egypt's Central Agency for Public Mobilization and Statistics (CAPMAS) and the Ministry of Tourism on a monthly basis, and no later than the tenth day of the month following the month of monitoring.

Source: Ministry of Tourism of Egypt (2011).

3.48. UNWTO proposes a set of questions that can be used on entry/departure cards. The questions seek to elicit both information useful for border control purposes and the minimum additional information for tourism statistics purposes.

Box III.6
Use of E/D cards worldwide

In a study of a representative sample of 48 countries, 21 of the 34 respondents indicated that they used E/D cards. The study revealed that E/D cards were the most common mechanism for estimating arrivals and that all countries reporting their use combined them with other administrative records (e.g., entry controls, passports and visas).

The study also found that border surveys, which enabled the measurement of visitors' expenditure and other visitor characteristics, are increasingly being used. Their use is possibly motivated by the growing number of countries developing a TSA and in the European Union it is 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 with 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. However, because countries are increasingly screening passports electronically, the use of E/D cards is decreasing.

Source: World Tourism Organization (2005a).

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 for two reasons:

Figure III.1
(a) Guidelines for the creation of a statistical universe for non-residential visitors

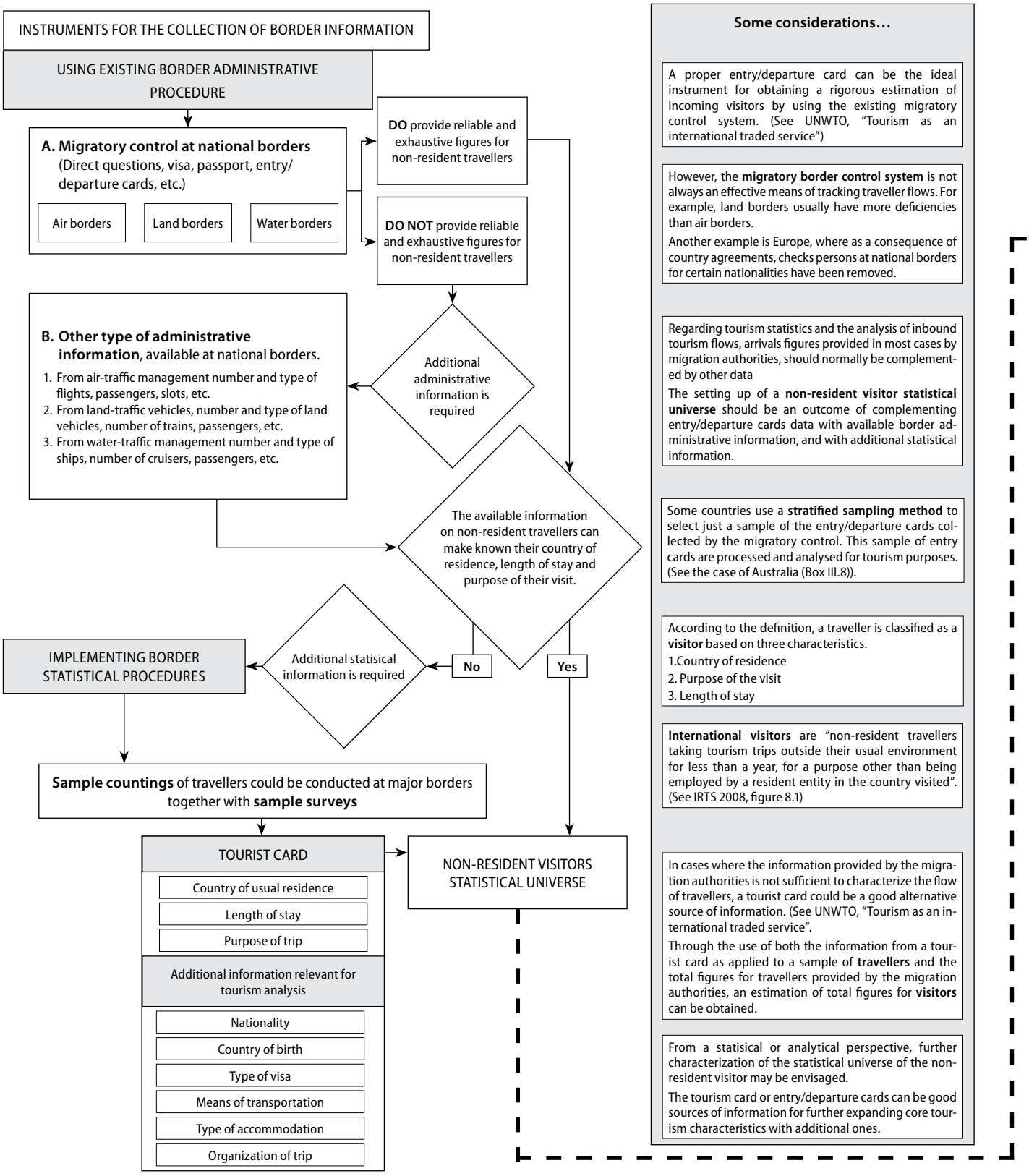
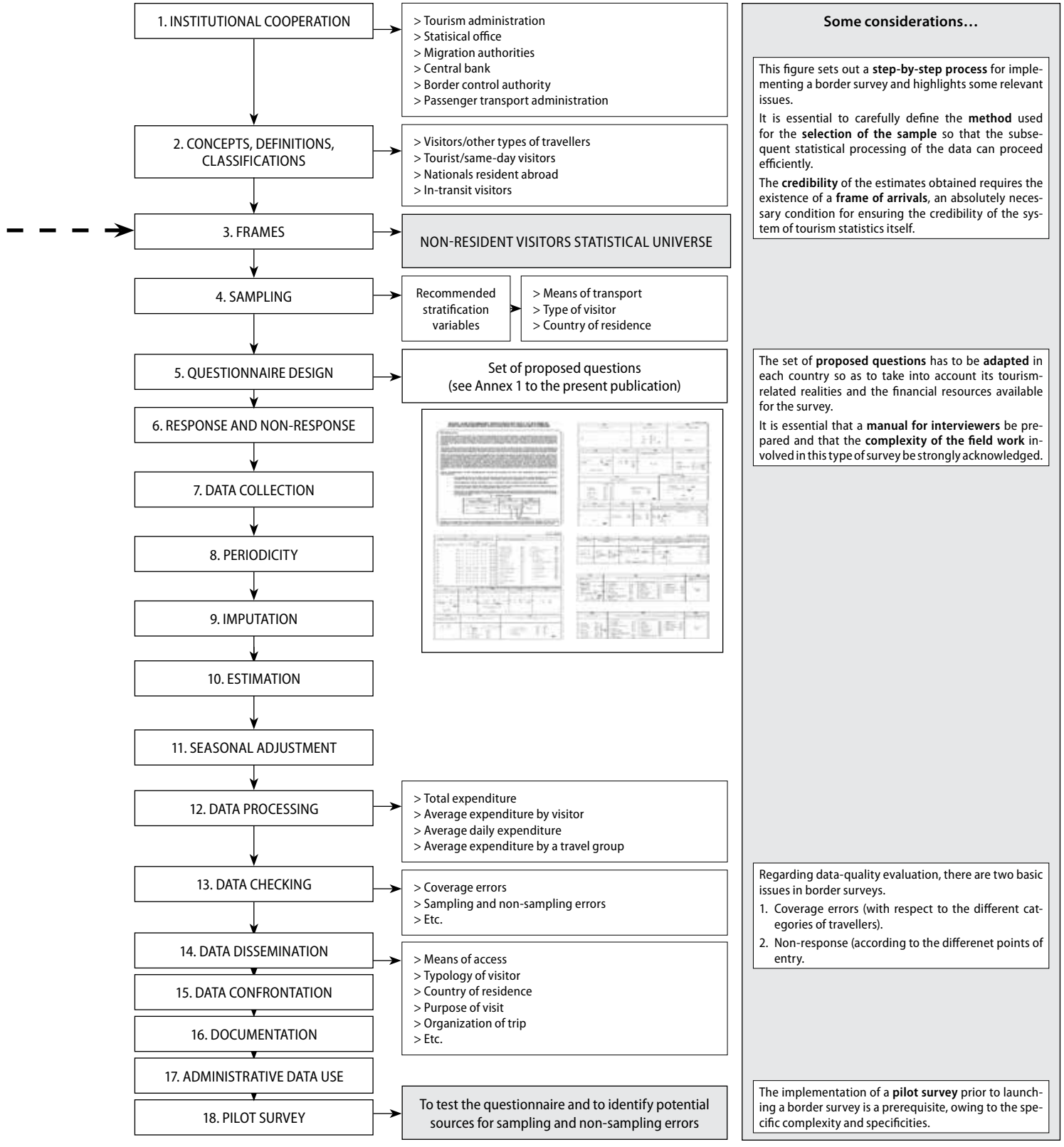


Figure III.1
(b) Guidelines for implementing a border survey



- The answers might be biased by the fact that it is the migration authorities that are asking the questions. In some countries, migration authorities apply conditions for entry based, for instance, on the consistency of a traveller's declaration of purpose of visit or place of stay with the type of visa presented. For an answer of "recreation" for purpose of visit, in the case of a tourist visa, for example, would be acceptable. On the other hand, the answer "attending a meeting", might prompt an officer to request corroboration (e.g., an invitation). As regards place of stay, if it is known that the officer will not ask for a reservation voucher, a traveller may give the name of a well-known hotel instead of responding that his or her place of accommodation has not yet been decided. Such answers might not necessarily reveal a visitor's actual characteristics and to provide useful information, would need to be verified.
- The circumstances in which the information is collected, do not permit the respondent to enter into much detail so as to better delineate some important dimensions, such as the expected duration of a (student's) course, the specific form of accommodation (e.g., whether fully owned or a timeshare) or the circumstances surrounding the trip's purpose (according to the rules previously stated in chap. II, sect. C.1.1). Accordingly, information collected using this instrument exclusively might need to be adjusted for tourism purposes.

Box III.7
Estimating numbers and expenditures of student visitors: example of Australia

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

TSA: RMF 2008 recommends that the scope of coverage of international students should be limited to non-resident students in the country of reference whose course of study has a duration of one year or less. The intention underlying this standard is to exclude from the visitors category those students undertaking a long-term course who return annually to their home country during vacation breaks. In the case of Australia, this factor is quite significant.

In 2010, pursuant to the adoption of a revised method by the Australian Bureau of Statistics, 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, under which an international student is considered a resident (from the time of first arrival in Australia) if he or she have stayed in Australia for a period of 12 months or more over a 16-month period.

Expenditure on education fees is calculated based on a combination of International Visitor Survey (IVS) data for education fees (where the trips purpose is not education) and a proportion of the balance-of-payments travel services credits for education fees. This proportion is obtained through multiplying the "flow" of short-term international students, as derived 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 in Australia 12 months or more out of a total of 16 months following their arrival in the country.

Source: Australian Bureau of Statistics (2013).

3.50. It would be especially helpful if an agreement could be reached with immigration authorities regarding access to their entry/departure databases so that, once individual records were duly rendered anonymous, their records could 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 far more precise estimate of this basic characteristic for use in 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 cover every month of the year). It may be preferable for such access to the immigration authority's databases to be given to an NSO rather than to an NTA. Since the NSO knows how to deal with such sources, is usually subject to legal constraints on manipulating and producing data, and is generally perceived as being more professional in handling such issues as confidentiality of data than other agencies, (possibly) including the NTA. Also, the NSO may seek a wider range of data from the databases, such as on migration movements, than are required, by the NTA. And from the perspective of the NTA as well, it may be seen as preferable for the official professional statistical body to have the responsibility for producing the data required according to well-established statistical procedures, so as to ensure good-quality and timely information.

Box III.8
Entry/departure cards: example of Australia

Persons arriving in, or departing from, Australia provide information on what are called incoming and outgoing passenger cards (see below). This information, along with other information available to the Department of Immigration and Border Protection, serves as a source of statistics of overseas arrivals and departures (OAD).

In July 2001, DIBP adopted a new passenger card processing system which involves electronic imaging of passenger cards and intelligent character recognition of the data stored in the images. Through this system, several improvements have made to the processing of passenger card data, most notably as a result of the provision of detailed information regarding missing values.

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

OAD statistics are derived from a combination of full enumeration and sampling. The number of movements for which the duration of stay is less than one year (which includes visitors) is 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
- Residents of Australia:
  - Country in which most time abroad was spent/ in which it was intended to spend most time abroad
  - Intended/actual time away from Australia
  - Main reason for journey (available only for long- 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 citizens of Australia and New Zealand)
- 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 in which 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

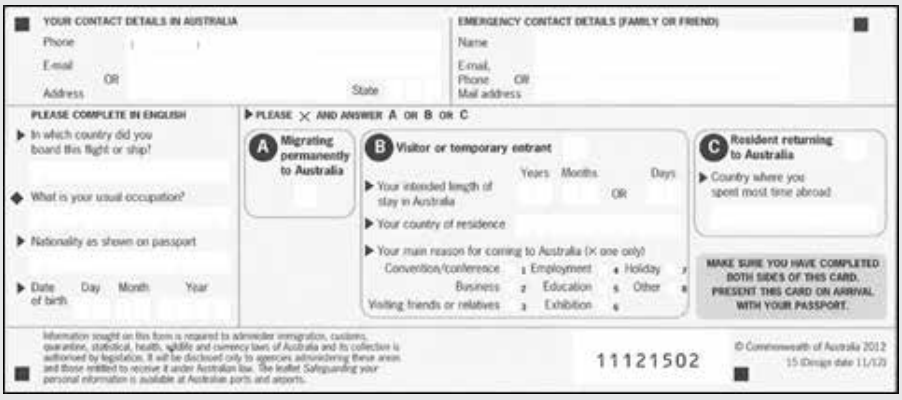
DECLARATION

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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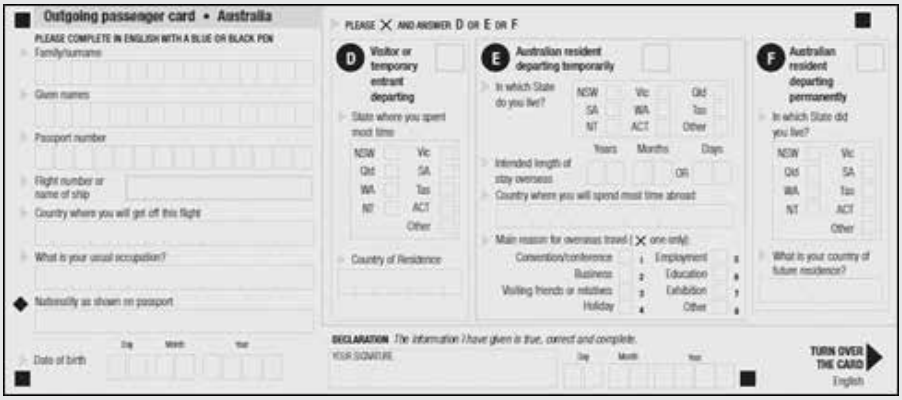
15 (Design date 11/12)

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.

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

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/dnpartsaustralia

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, para. 2.63). Crews on public modes of transport should be excluded from the visitor category (IRTS 2008, para. 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 which sell the product, in a variety of forms, to migration authorities, to provide them with 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 are sometimes disaggregated by nationality, port of embarkation, etc.). This information can be used to check immigration data (available classified by airline, day and flight) 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, however, to exclude passengers in transit on international flights 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, so as to permit classification by nationality.

3.58. Sometimes, railway companies can also provide information on their passengers when they cross international land borders, but this is 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 above 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 licence plate (to determine the country of origin see Box III.9 for the case of the border between Mexico and the United States of America). 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 licence plate of each vehicle.

Box III.9
Count of vehicles: the case of border between Mexico and the United States

Using the count of vehicles to distinguish residents and non-residents by observing the licence plates of cars is not an acceptable solution in the case of the border between Mexico and the United States. Many United States residents (Mexican nationals) live near the United States border and own cars with licence plates from Mexico. These residents consistently transit, either for work or for business, etc., and such an approach would result in 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 licence plates and number of persons per vehicle, so as to better approximate visitor flows.

3.62. Compilers should be aware, finally, that E/D cards, while usually including detailed questions, still do not provide sufficient information to identify certain classes of travellers 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., they should be regarded as being within their usual environment: the place of study or medical treatment).

C.2. Phase two: establishing the characteristics of international visitors and tourism trips

3.63. As compared with the aim of phase one, which is dedicated to the observation of global flows, the aim in phase two is to obtain more details about the characteristics of the travellers making the trips. What first needs to be established is, whether the traveller is a non-resident (but 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 further information is collected on the characteristics of the visitor, his or her travel party (if travelling in one) and the conditions of the trip (e.g., duration, purpose, modes of international transport, main type of accommodation used and arrangements). This is all the information necessary to characterize 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 to both national authorities (mainly NTAs, NSOs and central banks) and other stakeholders in the tourism sector. Whether persons travel alone or in parties,

for instance, affects not only average expenditure but also the type of accommodation needed (single, double or multiple-occupancy rooms). The reason of persons for travel, whether business or recreation, will have an impact on their activities, including the times at which 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, those surveys will usually need to be conducted upon departure, for two basic reasons:

- To avert prolongation of the border transit process for arriving visitors and immediately assailing them with a multitude of questions
- Because it is more accurate to establish the actual characteristics of the visitor, particularly with respect to expenditure, length of stay and activities undertaken while in the country. Only the expectations of visitors about such matters can be recorded upon their arrival and those expectations can be highly inaccurate, particularly in relation to expenditure.

Box III.10

Dealing with unknown reference populations in border surveys on inbound tourism: example of Italy

Since 1996, the Ufficio Italiano dei Cambi (UIC) has been carrying out an extensive inbound-outbound border survey on international travel for Italy. 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. 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 Ufficio Italiano dei Cambi (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: World Tourism Organization (2005a), annex II.

Box III.11

Linking administrative with sample survey data for grossing up: example of Argentina

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

Step 1: Calculation of residence coefficients. 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 country of nationality (Argentina or foreign). Thus, it is possible to identify nationality within each of the surveyed samples (of residents and non-

residents), and compare it with country of residence. Completion of table 1 enables the following classification:

a) For resident travellers: those of Argentine nationality (A_1) (i.e., those who arrive in/depart from the country with an Argentine passport/ID) are separated from those of foreign nationality (A_2);

b) For non-residents travellers, the same logic is used, with the separation of those of Argentine nationality (E_1) from those of 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 A + E	$\mathbf{X = A_1 + E_1}$	$\mathbf{Y = A_2 + E_2}$	

Adjustment factors are produced by calculating the ratio of the number of resident tourists (A_1) to the total number of respondents of argentine nationality (A_1/X) and, the ratio of the number of non-resident tourist (E_1) to the total number of respondents of Argentine nationality (E_1/X). Thus, it is possible to calculate the share of travellers of Argentine nationality residing in Argentina and the share of those of Argentine nationality living abroad. The same exercise is applied to those of foreign nationality residing in Argentina (A_2) and to those of foreign nationality residing abroad (E_2). The adjustment coefficients are displayed in table 2 below:

	Argentine passport/ID (percentage)	Foreign passport/ID (percentage)
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: Calculation of coefficients shares by countries and groups. The second step entails determining the country of residence of those of Argentine nationality living abroad (E_1). Fortunately, form E of the ITS includes a question regarding travellers' country of residence, grouping them according to the following classification: Brazil, Chile, Uruguay, the set "United States of America and Canada", the set "Rest of America", the continent Europe and the set "Rest of the world". Adjustment coefficients are produced by calculating the ratio of the number of non-residents tourists with Argentine passport in each country or region to the total number of non-residents tourists with Argentine nationality. Table 2 is then extended to produce table 3 below:

	Argentine passport/ID (percentage)	Foreign passport/ID (percentage)
Resident tourists (survey A)	X_1	Y_1
Non-resident tourists (survey E)	X_2	Y_2
Brazil	$X_{2.1}$	
Chile	$X_{2.2}$	
Uruguay	$X_{2.3}$	
United States of America and Canada	$X_{2.4}$	
Rest of America	$X_{2.5}$	
Europe	$X_{2.6}$	
Rest of the World	$X_{2.7}$	
Total A+E	**100 ($X_1 + X_2$)**	**100 ($Y_1 + Y_2$)**

Step 3: Calculation of the total number of tourists. First, in order to calculate the number of resident travellers in Argentina, the ratio of the number of those passengers of citizenship and residency in Argentina to the total number of respondents with Argentine nationality (X_1 per cent) is multiplied by the total number of arrivals of Argentine nationality. The ratio of those of foreign nationality and local residence to the total number of traveller with foreign passport (Y_1 per cent) is then multiplied by the total number of arrivals of foreign passengers. The sum of those terms yields the total number of resident travellers in Argentina.

In order to estimate the number of non-resident travellers, the same procedure is followed only in this case, the coefficients X_2 per cent and Y_2 per cent together with departure data are used. Here, estimates are made separately for each country or group of countries: First, coefficients for those of Argentine nationality and foreign residence by country or region ($X_{2.1}$ per cent, $X_{2.2}$ per cent, etc.) are applied to the total number of departure transits from Argentina. Then, to the total number of the departures of foreign passengers, the coefficient for those of foreign nationality and residence abroad (Y_2 per cent) is applied. Again, calculation of the sum of both terms yields the total number of non-resident travellers.

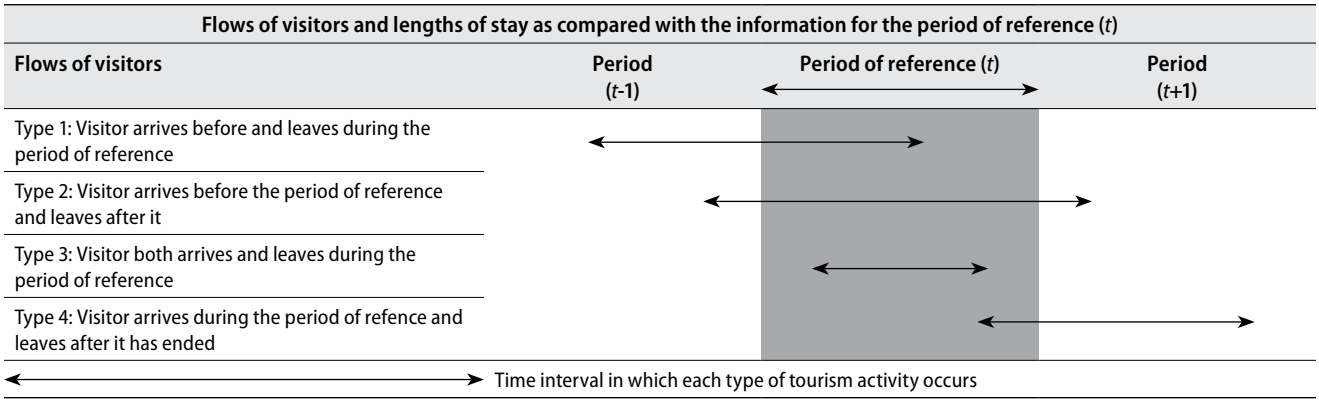
Source: Ministry of Tourism of Argentina (2013).

C.2.1. Issues specific to the observation of the characteristics of inbound visitors

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

3.67. Figure III.2 below provides compilers with the hidden assumptions behind the most frequently used procedure, which is to assign all tourism activity to the period of reference corresponding to the arrival of the visitor. As displayed, this practice is strictly appropriate in any one of only four possible types of circumstances.

Figure III.2
Flows of visitors and period of reference



Type 1. A person arrives at the place visited before, and leaves during, the period of reference (*t*). In such a case, the person will be registered as arriving in period *t*-1, even if part of the person's tourism activity takes place during the period of reference. Consequently, measurements of all of 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 period *t*-1, although it occurs party in period in *t*-1, partly in period *t* and partly in *t*+1.

Type 3. A person both arrives and leaves during the period of reference (*t*). In this "ideal" case all of 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*). That person will be registered as arriving during period *t* although part of his tor her activity will take place also during period *t*+1. Consequently, measurements of all the person's activity, including expenditure, will be assigned to period *t*, although part of it occurred in period *t*+1.

3.68. In order that tourism activity may be measured with precision during a given period of time, ideally, each of the four circumstances presented above should 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 and 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 entail a 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 not to be taken as certain, e.g., by labelling the information as "expected length of stay" or "expected expenditure". On the other hand, the country counts and surveys inbound visitors on departure, "actual length of stay" or "actual expenditure" would be measured, as would also be the case for outbound tourism.

3.70. In practice, however, the distinctions between types 1, 2 and 4 are often ignored, it is being assumed implicitly that the mismatches will eventually cancel each other out. In the cases concerned, however, short-term analyses of arrival and expenditure figures could be distorted (see Box III.12). In publishing the data, it should be made clear that the numbers relate to "arrivals" during the reference period. The longer the period of reference and the shorter the duration of the trip, the smaller the problem of determining when to count a visitor.

Box III.12
Treating "long-term" visitors in the case of short-term statistics

Although, in general, the implicit assumptions discussed above 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 extend across two contiguous periods (for instance, heightened tourism activity over the new year). In those cases, a more rigorous method of estimation might be needed, using the dates of visitor arrivals and departures. Such a method would obviously delay estimation because it could not be applied properly before the departure of all persons who had arrived during the period. It may also generate inconsistencies when, for some exogenous reason, there are marked differences in behaviour between two periods that normally balance each other out. It would be necessary in such circumstances to take into consideration arrival and departure dates.

In countries where the average stay of persons belonging to certain categories 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 stay.

However, it must be observed, that this recommended method of estimating tourism activity will have an effect on coherence and consistency between demand and supply data. A statistical discrepancy might appear, for instance, in respect of estimates of hotel stays when using this method, as compared with estimates derived from hotel-room occupancy, since actual nights spent in hotels during a given period are measured without attention to when visitors began or ended their visit.

3.71. The present section pays special attention to the assignment of 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 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 if data from passengers entering a country and data from those living the country are combined, e.g., the former may come for a short visit in September (and both arrive and depart in that month) while the latter may leave after a long holiday period ending in September.

C.2.2. 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 Agreement, where controls are limited to the zone's outside borders, with limited control not only over internal movements of residents of non-Schengen countries (once they have entered the Schengen Area) but also over the internal movements of residents of Schengen countries once they have returned to the Schengen Area. In these cases, it is necessary to look for other sources of information, whether of an administrative nature or, principally, statistical surveys, in order to measure the flow of non-resident travellers arriving in the country. There are four classes of possible statistical sources:

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

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

C.2.2.1. Border surveys

3.73. It should be emphasized 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 data supplementary to the available administrative data, for example, data on expenditure, on activities while in the country, on 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, e.g., by carriers (airlines, railway companies, shipping lines, scheduled bus lines) or though vehicle counts at road border crossings.

3.75. As mentioned above (see para. 3.65), these surveys are carried out upon the visitor's departure from the country. Often, they 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 visitor's behaviour (see chap. IV, sect. B.3.1).

General design

3.76. The statistical design of border surveys must be such 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 information obtained in phase one (see sect. 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.[19]

[19] World Tourism Organization (2005a).

Box III.13
Challenges in measuring inbound tourism: example of the Philippines

The main source of inbound statistics in the Philippines is the arrival card, which is filled out by all travellers entering the country. The Department of Tourism and the Bureau of Immigration 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 statistic" for tourism under 1996 Executive Order. Though a proposal to remove the arrival card has been put forth, the Department of Tourism and the Bureau of Immigration are working together on a continuous basis to improve the appearance and dynamics of the arrival card so as 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 country of residence and purpose of visit.

A Visitor Sample Survey (VSS) is also being administered by the Department of Tourism on a regular basis in all international airports of the country to generate statistics on visitors' demographic or profile and their travel characteristics, including psychographic information. The most critical data (as determined by the survey) are 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, with both being major sources of information for inbound tourism statistics and the Tourism Satellite Account (TSA).

Source: National Statistical Coordination Board of the Philippines.

Box III.14
Establishing the characteristics of international visitors and tourism trips: example of France

In France, a border survey is conducted every quarter (encompassing 20,000 questionnaires) by a private subcontractor. Entitled "L'Enquête auprès des Visiteurs de l'Etranger" (EVE), the survey, which permits the collection of quantitative data on trips (including same-day visits) in France by non-resident visitors, is conducted just before they leave French territory. One major purpose is to collect data on physical flows of non-resident visitors (e.g., arrivals, tourist nights spent and same-day visitors, 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 France's balance of payments. The survey also collects data requested for tourism market analysis in France (categorical data on, e.g., non-resident visitors, main purposes of trip, places visited in France, activities during their stay, types of accommodation and modes of transport used). 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 locations from which visitors leave the country, e.g., airports, except in the case of travellers by road, who are interviewed at car parks along motorways near the French border.

Dates of arrival and departure are indicated by the respondent; hence, the issues mentioned in chap. III sect. C.2.1 are avoided.

Source: Ministre de l'Économie, du Redressement productif et du Numérique (2010).

3.77. Once this information has been analysed, and depending on the country and the type of border crossing concerned, there will be one of two outcomes:

a) **Comprehensive and reliable data on arrivals of international travellers will be available**

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 variables 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 often, in practice, this information is not reliable or is not properly collected.

b) **The data available on arrivals of international travellers will not be totally reliable**

The survey will need to be designed so as to provide the information required (i) for distinguishing, within the universe of inbound traveller flows (e.g., by railway or at land border crossings), those travellers who are nationals of the country (versus foreign nationals) and those who are residents (versus non-residents), and (ii) for identifying 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 III.15

Estimating the number of international visitors within the Schengen Area of free movement of people: example of Spain

The practice of 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, which resulted in the immediate disappearance of information historically gathered by security forces at national borders on the number of travellers arriving from Schengen Area 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 National Tourism administration (NTA) carries out two kinds of border survey, one on arrival and the other on departure. The former entails a short questionnaire whose purpose is 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 trip). Surveys conducted upon departure use a much broader questionnaire which includes the same questions asked upon arrival as well as additional ones whose aim is to obtain more data on the trip (e.g., expenditure, frequency of visits, activities engaged in and 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 automatic counting devices of the NTA at all road borders.
- **Administrative records of passengers on international flights:** Spain's airports authority (Aeropuertos Españoles y Navegación Aérea (AENA)) provides the NTA with monthly records of passengers arriving at Spain's airports on international flights, according to their 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 del 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 on vehicles and in others cases on passengers, with the data yielded by border surveys.

Source: Spain, Instituto de Estudios Turísticos (IET).

The sample

3.79. The design of a statistical sample is usually extremely 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 such a way as to reflect those particularities. Expanding the data gathered to represent the entire universe of trips presents a real challenge to statisticians.

3.80. Further, through their access to administrative information on the arrival and departure flows of non-resident travellers at a country's ports of entry, statisticians can be provided with and advance indication of which flows 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, as was the case for Iceland in 2010 when the ash plume from the Eyjafjallajökull volcanic eruption disrupted air travel in Northern Europe for several weeks, forcing visitors to Iceland to shift to smaller local airports—a change that the existing statistical design was slow to properly assimilate.

3.81. These designs require statistical expertise. In countries whose NTA lacks that expertise, it is necessary to secure 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 day, holiday, weekend day), and period of the year, as well as other characteristics of the tourism trip or of 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 should be given to the need for a sample size sufficient to allow for the production of cross-tabulations between crucial variables (e.g., country of residence by purpose of visit) with a degree of statistical reliability.

3.83. The cooperation of the NSO should also extend, where possible, to subsequent processing of the data collected, namely, their entry, filtering, validation and tabulation, all processes commonly carried out during the undertaking of surveys and often requiring the expertise mainly or exclusively possessed by an NSO.

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

Box III.16
Inbound tourism survey: example of Egypt

- Number of data-collection rounds: 4
- Dates of rounds: 4, each represented by the seven days of the week and each day appearing only once during each round
- Total targeted sample size:
  - 60,000 tourists distributed to represent the prior year's 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

Years	Sample (thousands)	Total number of foreign inbound tourists (thousands)	Percentage
1990	20.2	2 411	0.84
1992	21.2	2 944	0.72
1994	23.3	2 356	0.99
1996	28.1	3 528	0.80
2000-2001	45.7	4 603	.99
2009	60.0	12 500	.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:
  - Visitor
- Weighting method
  - Actual number of tourists and nights spent in the reference year, 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 produce the total expenditure of this category. The summing of this cross multiplication across all categories of nationalities yields total inbound tourism expenditure.
- Questionnaire languages: 9 (Arabic, Chinese, English, French, German, Italian, Japanese, Russian and Spanish).

The questionnaire

3.85. UNWTO has developed a set of questions (see Annex I) that could serve as a starting point for the design of 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 broken down into further levels of detail, as indicated in IRTS 2008 (figure. 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 analysing supply and expenditure

3.86. While the proposed set of questions focuses on information requested during a border survey, it could be also used as a 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 questions should be adapted to the particularities of tourism in each country and discussed with key stakeholders in the tourism sector as well as officials involved with the balance of payments and the national accounts.
- Since border surveys are expensive, the entire process should be tested (including the tabulation of results) by means of a pilot exercise so as 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 established that the necessary resources and technical expertise have been committed to them and that their funding will be stable over time.
- Guidelines for field personnel should be drafted and a serious commitment made to training before the launching of the survey.

Box III.17
Taking into consideration the special features of tourism in a particular 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 (on age structure in particular).

Implementing the survey

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

a) **Survey vehicle used.** While any method considered suitable may be used to collect 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 (which

is 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 and out-of-the-way 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) **Recording and grouping possible answers.** Questions regarding activities deployed during the stay for instance, should be adapted to local conditions;

c) **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). Information on 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 encompass the entire universe of flights. At other types of borders, as mentioned, a similar statistical design is desirable, in which all passengers in, for example, a land vehicle or train carriage, are treated as clusters. The case of passengers who are in international transit but do not leave 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 chapt 4, sect. C.4));

d) **Place of sampling.** At airports, data collection on inbound visits, should occur, preferably prior to flight departure in the waiting area at the boarding gate. 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 traveller flows cannot be easily 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 approach could bias the procedure);

e) **Personnel conducting the sample.** The sampling should be carried out preferably by bilingual personnel who are specially trained for this purpose by the NTA and, so as to ensure that the interviews are conducted as much as possible in the passengers' first language, inasmuch as interviews conducted in another language often lead to misunderstandings and thus to 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 have a negative impact on the sample size initially established and create biases in the sample which are difficult to control. The distribution of non-responses among the population of international travellers needs to be determined in order to define strategies for reducing their numbers and develop formulae for correcting the resulting biases;

g) **Additional considerations.** Various factors conducive to high response rates also need to be considered; including 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 reluctant than others to participate in interviews) and legal requirements (whether survey responses should be compulsory). Finally, imputation techniques should be applied (that is, similar, reliable and complete data sets should be utilized) to supplement or substitute for missing or unreliable data.

Box III.18
Imputation of item non-response: example of Austria

Nearest neighbour imputation (NNI)

Nearest neighbor imputation (NNI) is one of the hot-deck methods used in sample surveys to compensate for non-response. 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 perform well.

In hot-deck imputation, a donor questionnaire is found that is from the same survey as that to which the questionnaire with the missing item belongs. 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 come from the same survey and show similarities to the receiving record, where similarity is based on other data on the questionnaire that is correlated with the data being donated. For example: similar destination and kind of accommodation might be used as the basis for donation of travel expenditure (see also Chen, J. and Shao, J. (2000)).

Holiday and business trips

In Austria, sample surveys of the Austrian population 15 years or age or over proved to be the most efficient mean s of gathering information on domestic and outbound tourism. At Statistics Austria, information on national tourism is therefore compiled by using a demand-side approach, that is to say, a members of representative sample of Austria's population are asked about their travel behaviour with the help of computer-assisted telephone interviews (CATI).

One of the shortcomings is the existence of missing values. Since this is a retrospective survey, there is commonly a recall problem concerning various items, in particular expenditures with a view to overcoming this problem, an information letter is sent out two weeks before the interviewing phase starts. Since the respondents are not being approached out of the blue, more accurate answers can be expected, but many respondents still either have no information on expenditure (e.g., business tourists and 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 enable the simulation of a complete data file. Quantitative and qualitative values are replaced by donors. This approach underlies the presumption that the characteristics with missing values are linked to other characteristics of the trip. The whole data file with (each row corresponding to a trip) is grouped into classes of similar trips, whose means are then used to replace missing values. In order for adequate donors to be found, 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, "Tourism as an international traded service", sect. 3.D.

C.2.2.2. Surveys of visitors (at market accommodation establishments or tourism sites)

3.90. Guest registers could form the basis for surveys at market accommodation establishments, and are, in fact 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, those register should therefore be evaluated, with particular attention to:

- The updating mechanism for such registers (particularly in the case of repeat customers, whose particular characteristics hoteliers might fail to update) even if they have changed over the years
- Relevance of same-day travellers
- Visitors who stay in the homes of friends or relatives, in private homes or in other forms 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 who are not staying at market accommodation establishments is considered relevant (as usually, it 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 rent rooms or apartments that they own to visitors).

3.92. Once the limitations mentioned directly above have been overcome, surveys of visitors staying at market accommodation establishments might be used to characterize visitors and their tourism trips doing so more precisely and possibly more completely than border surveys alone (see sect. C.2.2.1), 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, since they can report only 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 and other items to be taken back home to the very last minute before departure purchasing them, (e.g., in the duty-free shops at the airport). Also, unexpected events, occurring either in the country of origin or in 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 kind of survey poses similar difficulties as surveys at accommodation establishments: 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, if implemented consistently over time, surveys at tourism sites can be useful in measuring changes or trends in visitors' activities or characteristics over time and also to estimate average daily expenditure. Compilers should bear in mind that surveys at tourism sites may not be a reliable indicator of total visitor numbers.

C.2.2.3. Household surveys in originating markets

3.95. Surveys designed to collect information on the tourism behaviour of individuals in their usual environment, use the sum of residents as the population frame or statistical universe. Consequently, one way of estimating the number of arrivals and the expenditure of non-resident travellers from country X in the country of reference (Y), and of identifying the characteristics of those travellers, 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, like most European countries, they have harmonized their surveys), then estimates can be made of the number of arrivals and expenditures by non-resident visitors in country Y for all countries concerned.

Box III.19

Collecting information on inbound tourism after the return home: example of New Zealand

The New Zealand Ministry of Economic Development conducted an International Ticket Purchasers Survey after the holding of the Rugby World Cup 2011. A database of overseas resident Rugby World Cup (RWC) ticket purchasers was available for e-mail contact. For the International Ticket Purchasers Survey, RWC visitors were defined as individuals in the database.

Although the RWC matches were held in September and October 2011, RWC visitors arrived before and stayed after this time period. The time periods used for two additional surveys (the International Visitor Arrivals Survey and the International Visitor 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 per cent. Data were then weighted by country using the database population and were subsequently cleaned.

The International Ticket Purchasers Survey included questions on travel information, satisfaction, Auckland RWC venues and expenditure. For the purposes of the Rugby World Cup 2011 analysis, this Survey was used to derive information on the number of trips to New Zealand matches attended, and satisfaction.

Source: New Zealand Ministry of Business, Innovation and Employment (2012).

C.2.2.4. Mirror statistics

3.96. Since most non-resident visitors arriving in any European Union (EU) 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 by using outbound tourism data provided by other countries in the subregion. While mirror statistics, seem to be simple and attractive, the countries using them may not have paid sufficient attention to the challenges such statistics pose (see Box III.20 and Box III.21). For example, if a country uses mirror statistics to estimate numbers of inbound visitors from the numbers outbound visitors of several source countries, then there is a need for consistency in definitions (and, preferably, collection methodologies) among, those countries. Otherwise, it will not be possible to aggregate the data, or to compare the characteristics of visitors from one source country with those of another source country. Also, in cases where an outbound trip involves a number of destination countries, only the main destination country (however defined) may be recorded by the source country, which will result in the underestimation of the number of inbound visitors from those source countries in the countries that are only secondary destinations.

Box III.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., determination not only of the final destination of an outbound trip, but also of all other countries crossed before arrival at the final destination), and a high degree of disaggregation for each mode of transport used.

Source: World Tourism Organization (2004a).

Box III.21
Using mirror data: experience of Austria

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. Mirror data can not only fill data gaps where own data are not available but also be used to assess the quality and comparability of existing tourism data.

Since the use of mirror data is not unproblematic, such challenges 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 might be expected, and future duplication in the observation of tourism flows might be averted.

Source: Ostertag-Sydler, J. (2010).

C.3. Tables of results

3.97. The focus of the present IRTS 2008 *Compilation Guide* is on helping 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 V) to help countries pursue both specific national purposes (the collection of much more detailed data) and international comparability.

3.98. Regarding international comparability, the data set and indicators for inbound tourism presented in Table III.2 below will be requested annually by UNWTO from member and non-member countries and disseminated in the *Compendium of Tourism Statistics*, its most comprehensive statistical publication.

3.99. As a first approximation for tourism expenditure data, a country can use balance of payments data ("travel" and "passenger transport" items). This ensures a high degree of international comparability. Indeed, the expenditure data included in the UNWTO *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 the balance of payments, see IRTS 2008, paras. 8.10-8.25).

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 III.2
Inbound tourism: example of a table of results

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 • America	('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	Days	. .
1.44 Average expenditure per day	US$	. .

Abbreviations:
('000): thousands
US$ Mn: millions of US dollars

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 para. 1.29), including:

- Number of trips (by visitors and by others travellers not visitors),[20] classified by supranational regions of residence and main countries of interest
- Number of tourism trips by tourists/excursionists, classified by country of residence and main purpose of trip
- Number of travellers (visitors and others), classified by country of residence, duration of stay (intervals), total number of overnights in each category and total
- Number of guests and overnights, classified by main form of accommodation and main purpose of trip
- Number of visitors, cross-classified by various characteristics, including size of travel party, purpose of visit and form of accommodation (detailed)
- 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 on outbound tourism, it may be useful and user friendly to produce tables of results and disseminate data together with balance-of-payments data. See the examples in Box III.22, Box III.23 and Box III.24.

[20] The statistical unit is the trip: the term "visitor" really refers to a tourism trip and the term "traveller" refers to both tourism and non-tourism trips. However, the number of "non-tourism" trips will be not only difficult but also prohibitively expensive to measure.

Box III.22
Arrivals in and departures from Australia

October key figures

	October 2013 Thousands	September 2013–October 2013 (Percentage change)	October 2012–October 2013 (Percentage 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	..	..

Note: Two dots (..) indicate that the item is not applicable.

October key points: short-term arrivals to Australia

Trend estimates: The number of short-term visitor arrivals during October 2013 (548,400 movements) represented an increase of 0.8 per cent with respect to the figure for September 2013 (544,300 movements). This followed monthly increases of 0.9 per cent in August and 0.8 per cent in September 2013. The current trend estimate for arrivals is 5.1 per cent higher than in October 2012.

Seasonally adjusted estimates: During October 2013, the number of short-term visitor arrivals (545,500 movements) represented a decrease of 1.1 per cent with respect to the figure for September 2013 (551,700 movements). This followed a monthly increase of 2.2 per cent in August and 1.8 per cent in September 2013.

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

Source: Australian Bureau of Statistics.

Box III.23

Inbound tourism trends: example of the United Kingdom

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

The long-term trend has been a decline in the average length of stay of each inbound visitor in the United Kingdom. However, the figure has been fairly stable for the past six years. In line with many other developed economies, the United Kingdom has a balance-of-payments deficit for international tourism. This increased both rapidly and consistently in the decade to 2008, but shrank by over one-third in recent years, as Britons have taken fewer overseas trips.)

Year	Number of visits (millions)	Spend (billions, pounds sterling)	Average spend per visit (pounds sterling)	Average nights per visit	International balance of payments (billions, pounds sterling)
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: United Kingdom, Office for National Statistics.

Box III.24
Arrivals and overnight stays: example of Austria

Calendar year		2010		2011		2012	
		Absolute	Change over previous year (per cent)	Absolute	Change over previous year (per cent)	Absolute	Change over previous year (per cent)
Arrivals (millions)		33.4	3.3	34.6	3.7	36.2	4.4
Overnight stays (millions)		124.9	0.5	126.0	0.9	131.0	4.0
Thereof		35.0	1.7	35.3	0.8	36.0	1.9
	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
	United States	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- or 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- or 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.

D. Domestic tourism

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

- As no specific geographical border is crossed, usually no counts or equivalent measurement procedures are undertaken. 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), which in this case simulates a border. Such procedures can measure visits to specific places (destination analysis), but not all domestic tourism trips.
- Obtaining data on domestic same-day visits may pose a particular challenge, with regard to recall problems (which arise 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 with a view to generating statistics on their tourism behaviour during a past reference period. However, this is not an easy procedure to follow in the case of non-residents who take trips in the country of reference but cannot be approached for interviews after the trip is over. However, they can be given a questionnaire to complete after they return home or they may be contacted in their country of origin if an address is available (see, for example, Box III.19).
- Because residents can always be approached, a domestic trip in its entirety (round trip) can be observed and information obtained on different legs of the trip 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 para. 3.142 below and IRTS 2008, para. 2.39) and would cover, for example, the case where a domestic visitor takes a trip to a destination that is close to the border with another country and then crosses the border, perhaps for, say, a day trip.
- Often, National Tourism Administrations are also interested in covering those who did not travel in a given period, with a view to identifying their personal characteristics and those of their household and determining their reasons for not having travelled. Such measurements can be easily accomplished for domestic and outbound tourism (see Box III.31 and sect. D.2.2.1 for discussion on differences in the propensity for travel) and but with more efforts for inbound tourism as well.

Box III.25
Compilation of same-day trips: example of Austria

Statistics Austria compiles information on domestic and outbound same-day visits by using a demand-side approach. Every quarter, 3,500 chosen individuals living in Austria, chosen for then representativeness are questioned about their travel behaviour. Regarding domestic same-day visits information only on the number of trips for leisure and business purposes is collected. On the other hand, there is much more information surveyed for same-day visits abroad, namely, the socio-demographic profile of the traveller and the profile of the trip, including, destination, purpose, transportation, accompanying household members and expenditures.

The main challenges in the compilation of same-day visits are associated with the recall problem and the coverage. Another issue that has to be taken into consideration is the fact that it is particularly difficult to define applicable and comparable distance and frequency thresholds for same-day and overnight trips when the person concerned is to be considered outside of his or her usual environment.

Source: Laimer, P. and Ostertag-Sydler, J. (2008).

3.104. As in the case of inbound tourism, countries either use a two-phase process of observation (see para. 3.26) or observe all the variables simultaneously. Both approaches 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 supplementary and piggybacks 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 III.26
Obtaining information about those who did not visit the country: example of Canada

The Canadian Tourism Commission (CTC), as Canada's National Tourism Administration, identifies prospective travellers who did not or are not planning to travel in a given period through the Global Tourism Watch survey. This is carried out for domestic travel (measuring the propensity of Canadians for travelling out of region within Canada), for outbound international travel from Canada's key markets in terms of barriers to international travel and for inbound travel to Canada barriers to travel 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 Canadian Tourism Commission (like most NTAs) is in the business of actively promoting Canada in selected international markets as a desirable tourism destination and seeks to increase export revenue by doing so. Hence, an understanding of the barriers to travel to Canada is critical to marketing strategies.

Source: Canadian Tourism Commission.

3.105. UNWTO, in cooperation with ILO, has made proposals on the subject of measuring domestic tourism and the United Nations Statistics Division and other international organizations have issued manuals and guidance material on the use of household income/expenditure surveys (HI/ES) in this regard

3.106. If they lack household surveys, countries should try, as an interim measure, 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 the many countries where most domestic flows are of same-day visitors and most domestic tourists do not use commercial accommodation services.

[21] World Tourism Organization (2010a), *Measuring domestic tourism and the use of household income/expenditure surveys (HI/ES)*, available at http://statistics.unwto.org/sites/all/files/docpdf/hies.pdf (30-05-2014).

D.1. Household-type surveys: general overview

3.107. Household-type surveys cover all the procedures for questioning 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 entails a household survey which may be a stand-alone survey designed specifically and only to collect tourism data or a module included in a wider, already existing survey, such as a household income and expenditure survey (HI/ES) (IRTS 2008, paras. 3.41 and 4.31) while surveys can be conducted for this purpose on the basis of the selection of households, as is most frequently the case, some countries, such as Austria, select individuals directly from a general database of residents and conduct the interview by telephone (using the CATI method). It must be underlined that surveying households is used in this context only as a means of selecting resident individuals;[22] the household as such is usually not an observation unit but only a selection unit (for an exception in this regard, see Box III.31).

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

3.108. Such surveys are conducted through face-to-face interviews or by telephone. Countries that had achieved high penetration of landline telephones in households found that telephone surveys considerably reduced cost by eliminating the need for interviewers to be sent around the country. However, in recent years, the rapid growth of mobile (cell) phones and the associated lower penetration of landlines in households are generating concerns regarding the representativeness of such a methodology. If interviewing is conducted only via landlines and does not include mobile phones, there could be a significant bias in the sample, e.g., an underrepresentation of younger people who have a higher propensity to use only a mobile phone.

Box III.27
Representativeness of CATI: example of Austria

For the purpose of achieving representativeness, the gross sample for the Austrian demand-side survey is drawn from the Central Registration Register of the Ministry of the Interior, which enables a stratified random selection. Telephone numbers for the persons in the gross sample, are obtained from the official telephone directory, by using last name and address.

The official telephone book covers landline as well as cell phone numbers. However, owing to growth in the number of confidential numbers (since registration in a telephone directory is no longer required in Austria) and the replacement of landlines by cellphone numbers not available to the public, telephone numbers could not be found for approximately 50 per cent of the persons in the gross sample in 2011. Bias is likely due to the fact that the persons with no telephone numbers listed in the official telephone book cannot be covered.

Source: Statistics Austria.

Box III.28
Mobile-phone sampling: example of Australia

In 2013, Tourism Research Australia (TRA) pilot-tested mobile-phone sampling for its National Visitor Survey (NVS). Full-scale sampling commenced at the beginning of 2014, with the mobile-phone component constituting 50 per cent of the total sample in the first year. In pilot-testing (entailing 800 interviews), response rates for the mobile-phone sample were similar to those for the existing landline sample. Further surprisingly, respondents voiced few concerns about being contacted on their mobile phone.

As the NVS will be an "overlapping dual-frame" survey from 2014 onwards, the sampling and weighting will become more complicated, and that a potential source of problems. However, TRA has invested considerable resources to ensure the sample design is appropriate, and that the new weighting process is well tested and well understood.

Source: Australian Bureau of Statistics.

3.109. As mentioned in section B.2 above, the frequency of household-type surveys is basically dependent on cost; however, other factors, relating to the characteristics of resident visitors and their tourism trips, should also be considered when the frequency of observation is being determined.

3.110. Countries may try to establish the characteristics of trips and of persons taking trips independently of 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 (exhibiting seasonality) and to a lesser extent from year to year (see paras. 3.18-3.19). The average expenditure per person or per person per day associated with each characteristic of a tourism trip, on the other hand, tends to be less volatile. Hence, it can be observed less frequently (e.g., every three to five years) and measured through extrapolation using relevant price indices once the volume and characteristics of the trips are clearly established. The advantage of this approach is that it reduces the need for collection of good-quality expenditure data, which is difficult and can add considerable cost to the survey when included.

Box III.29
Selection of trips in a travel survey: example of Canada

In Canada's domestic travel survey (the Travel Survey of Residents of Canada (TSRC)), one adult is selected at random from each household surveyed. At the beginning of the interview, a roster is created consisting of all trips by the respondent that ended in either the first or the second recall month. The roster contains the following information gathered during the interview: main destination, main reason for trip, duration, when trip ended, number of household members on the trip and mode of transportation.

The interviewer collects information on domestic trips and on the Canadian portion of international trips for the roster.

From the roster of trips, between one and three in-scope trips are randomly selected and information is requested on the detail of the trip(s), namely, secondary mode of transportation, travel party, expenditures and activities engaged in during the trip, as well as locations and accommodations for overnight trips.

The subselection of the trip is based on an algorithm that takes into account the nature of the trip, i.e., reference month, inter versus intra-provincial, overnight versus same day, and number of identical trips.

Source: Statistics Canada.

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

- As all trips have a specific duration, with beginning and final dates, it is necessary to determine the trips that should be taken into consideration in the count and the durations to be reported. As was explained in paragraph 3.68 above, the period of reference of the observation and the period of occurrence of a trip might not coincide. Because individuals can report only on trips that were completed, the universe of domestic or outbound trips to be reported refers to trips that ended in the period of reference, irrespective of their date of initiation. Pursuant to this criterion, all trips will be reported (only once), and their reported duration should be the actual duration of absence from the usual environment, irrespective of the date of commencement of 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 a distinction needs to be made between tourism and non-tourism trips. The information provided may be used 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), which 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 complete 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 the distance travelled. Questions should be formulated so as to permit easy identification of the cases described below. If possible, respondents should not themselves be allowed to identify which trips are tourism trips, since the general public tends to equate them with recreational travel. Only round trips in which travellers leave their usual environment (see chap. II, sect. B.2 above, and IRTS 2008 chap. 2, sect. B.4) should be considered tourism trips. The following should not be considered tourism trips:
  - Trips between the place of residence of the respondent and his or her place of work or study.
  - Frequent trips (at least one per week) for, inter alia, shopping, family visits, religious purposes, health and medical care, and education and training.
  - Domestic trips entailing a stay at a destination of more than a year, which implies a change in place of residence.
  - Domestic trips to a place in order to take on a non-permanent, short-term job for pay by an entity in the place visited (see IRTS 2008, paras. 2.35 to 2.38). If the job is permanent and the individual moves frequently and repeatedly between the place of work and the place of residence of the household, the trip is not to be considered a tourism trip either, since the individual is moving between two locations that are both part of his or her usual environment (see IRTS 2008, para. 2.25).
  - Domestic trips, considered to be within a very short distance (either as measured in terms of the distance itself or because they do not involve the crossing of administrative borders) from the household's main place of residence (treated as being within the usual environment, (see IRTS 2008, para. 2.52)).
- On the other hand, trips to vacation homes should be considered tourism trips (see para. 2.25 and IRTS 2008, para. 2.28). In countries where such trips are frequent, their detailed characteristics might call for a specific submodule in the survey questionnaire. This module on vacation homes might be relevant not only when trips to those homes are frequent, but also when they are used over a long period of time. For instance, consider the following case: a household moves for the whole summer season to a vacation home in the countryside which is located in a municipality close to the main one from which the parents travel to work every day while the children remain there with their grandparents. We might 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 or 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 or 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 (that has taken at least one tourism trip during the period), the characteristics can be observed, for any of the following (see Box III.29):
  - All trips taken by household members during the reference period (if short).
  - All trips taken by one selected member of the household during the reference period (also if short).
  - One trip taken by one selected household member during the reference period (usually the last trip, or one selected at random).
  - Another combination of trip and household member (see Box III.29).
- In cases where a household (or the individual being interviewed) has taken more than one in-scope trip during the reference period, some countries use the following methodology, they collect details of only one trip (usually the last one taken) but count the total number of trips taken. These 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, which are all characteristics attached to the trip, the following additional characteristics should be observed:

- 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.
- Destination or place visited that was central to the decision to take the trip (see para. 2.84 above and IRTS 2008, para. 2.31).
- 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 chosen, if relevant. Each place can be defined as a region (if the country of reference is divided into regions), a city, a specific tourism destination or any other national subdivision identified for analytical purposes.
- Types of accommodation whose determination (see chap. II, sect. C.1.6 above, and IRTS 2008, paras. 3.35-3.38) should at a minimum separate market from non-market accommodation and be consistent with the classifications used for the characterization of inbound tourism and the supply of accommodation services.
- Main mode of transport, defined as that used to travel the greatest distance (IRTS 2008, para. 3.32). Secondary modes of transport might also be identified (see chap. II, sect. C.1.5 above).
- Main purpose of the trip: its classification should be aligned to the international recommendation (see chap. II, sect. C.1.1, above, and IRTS 2008, paras. 3.10-3.20). 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 that may be pertinent for subnational tourism analysis. However,

countries should be aware that, while the information collected on purpose and even on the multiple reasons for the different visits that make up a trip might be of interest it would be extremely burdensome to put the collection process into practice. Further there is a serious risk that the quality of the responses would be adversely affected.

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 comes from countries with a highly developed statistical infrastructure. Increasingly, however, some of the less advanced countries are also recognizing the importance for their economies of domestic tourism—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 approaches to measuring 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.
- Inclusion of a tourism module—a set of interconnected questions designed to elicit more information about certain characteristics of visitor behaviour—as part of a multipurpose survey (HI/ES or other continuous surveys), sometimes based on a panel design. Such modules (see para. 3.107) could also include an articulated set of questions about trips to vacation homes or trips for specific purposes, such as health and medical care or education and training.

Box III.30
2009 Domestic tourism survey: example of Egypt

Number of rounds: 4

Sample size of each round:

- 6,000 households in each round, distributed to represent all the governorates of Egypt. Total numbers of households 24,000
- 500 non-Egyptian resident households

Coverage or reference period: three months prior to the round

Dates of rounds: 9 April, 9 July, 9 October and 10 January

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 derived 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 (2011).

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 sect. C.2.2.2). Nevertheless, as in the case of inbound tourism, some trips (e.g., those in which visitors cannot be captured through such procedures. Additionally, information can be obtained only on certain segments of a trip, but not on the trip as a whole.

Based on the experience to date, the design of surveys whose aim is to generate tourism statistics should take into account the following aspects 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 to cover frequent same-day visits; and inasmuch as the number of persons who have taken a tourism trip in a given period of time may be small, the number of households to be observed needs to be sufficiently large to ensure a reasonable number of observations. Some of these considerations will be explored in the following sections.

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

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

Box III.31
Characterizing the household to which persons who are taking trips belong

The bases for the analysis of the tourism phenomenon are usually the individual (visitors) and the number of events (trips/nights). Another important focus for the study of tourism is the travelling household.

In paper by Baiocchi and Dattilo (2008), domestic and outbound tourism flows of residents in Italy are analysed from the demand side. The paper makes use of data produced through the CATI quarterly telephone survey entitled "Holidays and trips", carried out by the National Statistical Office of Italy (ISTAT).

Through the application of a specific data procedure that identifies household typologies and through analysis of the kinship relations within the nucleus of the 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. Indeed, travel behaviours viewed from a household point of view may exhibit characteristics that can reveal new features of tourism demand.

3.118. These considerations generate certain specific requirements in the design of the questionnaire and in the extraction and tabulation of information, which differ from those associated with the usual procedure for household surveys. All trips should be counted and, in the case where the various members of a household travel together, the counts should include as many trips as persons travelling, and each of the trips should be characterized.

3.119. Persons in a travel party who belong to another household should be excluded from the count, since the probability of their selection in the sample is different and is related to that of the household to which they belong (see paras. 2.46-2.47). They should be taken into account, however, in determining the average value of each item of the common expenditure.

3.120. It might also be of interest to associate with tourism trips, not only the characteristics of the individual but also those of the household to which he or she belongs: for example, the economic activities, level of income and level of education of its members.

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

3.121. The present section examines some of the factors affecting the quality and significance of data collected through household surveys for the purpose of measuring domestic tourism. With these factors in mind, it is strongly recommended that countries where NTAs have limited statistical experience entrust the statistical design of such surveys to their NSOs.

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

D.2.2.1 Propensity to travel varies throughout a territory, among households and over time

3.123. 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 analyse behaviour as it relates to other factors.

3.124. 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 an urban environment will tend to travel more, to escape their possibly stressful and unhealthy surroundings, and also because in such an environment holiday travel is a way of life.

3.125. High-income persons usually have a higher propensity to travel, e.g., for recreation and conferences, than the rest of the population.

3.126. It should also be noted 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 (e.g., Christmas, Thanksgiving in the United States of America, the new year in Asian countries), for religious celebrations (on specific dates), for winter sports and for recreation (summer). Tourism statistics should mirror this seasonality. As a consequence, measurements need to be adjusted to account for high and low seasons.

Box III.32

Determining the propensity to travel from surveys of domestic tourism of households: example of Argentina

In Argentina, the Household Travel and Tourism Survey (Encuesta de Viajes y Turismo en Hogares Argentinos (EVyTH)), which covers the largest urban cities of the country encompassing a total of 25 million inhabitants, registered 29 million tourists in 2012, which translates into a ratio of about 1.2 tourists per inhabitant. However, not all residents travelled during the year and some travellers made more than one trip.

With a view to estimating the proportion of the population that has made at least one overnight trip, a special module is implemented along with the EVyTH during February and May of each year, which is designed 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 30,000 persons, EVyTH concluded that 43.6 per cent of the population had made an overnight trip. The survey also analysed how the ratio varied with different socioeconomic characteristics, including region of residence, gender and age, educational level, income level and economic activity status.

In this regard, the gaps in access to tourism consumption were examined through comparison of the 20 per cent of the population with the highest income (highest quintile) with the 20 per cent of the population with the lowest income (lowest quintile). The table below illustrates the share of the highest quintile (Q5) and of the lowest quintile (Q1) in tourism as measured by the total number of tourists and same-day visitors and tourist expenditure for the years 2006 and 2012. In 2012, the share in consumption of the highest quintile compared with that of the lowest was 5.0 times higher for the flow of tourists, 2.6 times for same-day visitors and 9.0 times higher for total tourism expenditure. In the interval 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			Year 2012		
	Ratio (Per cent)		Gap	Ratio (Per cent)		Gap
	Q5	Q1	(= Q5/Q1)	Q5	Q1	(=Q5/Q1)
Tourist	46.4	6.1	**7.6**	39.1	7.8	**5.0**
Same-day visitor	35.0	8.3	**4.2**	29.9	11.5	**2.6**
Expentidure	66.8	2.6	**25.8**	52.0	5.8	**9.0**
Per capita income			**13.6**			**9.8**

Through its conclusion of cases where people responded that they had not taken an overnight trip during the previous year, EVyTH has enabled the main reasons behind such a decision to be investigated and allowed the gathering of the key data needed to plan public policies in order to incentivize domestic tourism.

In the case of household surveys based on methodologies different from that used in EVyTH (i.e., independent random sampling), such as the tracking of a panel sample throughout a given calendar year (as used, e.g., in Encuesta de Movimientos Turísticos de los Españoles (Familitur) (Spain)) or implementation of a simple annual data survey using the full previous year as the reference period (the previous EVyTH methodology, applied only in 2006), travel information for each person (with or without overnight trips) may be recreated from data on tourist trips collected during the survey. If it was discovered that a person had not travelled throughout the previous year, a question could be included on the reasons behind his or her decision not to travel.

Source: Ministry of Tourism of Argentina (2013).

3.127. Such particularities might need to be considered in designing the sample so as, to ensure that a sufficient number of useful records are obtained to provide answers to related questions. Further, while visiting a household in which nobody has travelled in the period of reference might be perceived as a waste of time and money, in fact, it could yield valuable information on factors that hinder the taking of tourism trips.

Box III.33
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, the participation of 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 is the case in France and Austria, for instance).

Usually, this kind of design is cheaper and easier to manage, and the responses are of better quality, since households are allotted more time to grasp the meaning of the questions. Nevertheless, in the case of tourism the persons concerned will not always be available at home for regular interviews, which creates a potential for bias, that is to say, those who travel more will be less available to answer the questionnaire, which could result in an underestimation of travel activity. On the other hand, an analytical survey of respondents conducted in Austria in 2005 showed, that on the contrary, non-travellers had a greater tendency to withdraw from panel participation than frequent travellers, which tended to offset such a bias.

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

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

3.128. 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.

3.129. Three solutions are possible in such cases:

- Selection of a larger sample of households so that a sufficient number of the observations needed to characterize tourism can be obtained, which is 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.
- Adoption of a statistical design that takes into consideration the previously mentioned fact that propensity to travel varies thought a territory. This would lead to the application of a stratified sampling approach with different predefined clusters, such as urban population versus rural population, higher-income versus lower-income households.
- Expansion of the period of reference, e.g., by requesting information on trips taken during the previous quarter (some countries even extend the period to one year) rather than restricting the reference period to the past month.

3.130. This last solution might be more appealing, since it allows a much larger number of observed trips to be included (and is less resource-intensive than the others). However, it also has drawbacks, which have been extensively studied by various analysts and compilers (see Box III.34).

Box III.34

Research on the effect of expanding the period of reference for reporting tourism trips: example of Spain

Research conducted by the Instituto de Estudios Turísticos (IET) of Spain confirms that 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, which often repres opposite types of subjective distinction of the actual date of an event's occurrence:

- **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.

IET developed a complex observation methodology using three overlapping samples, for asking respondents about trips taken three months, two months and one month before, they were contacted. Results of the study, indicated very clearly that the longer the delay in contacting respondents after the observation period, the fewer the number of trips reported.

For example, three statistically validated measurements for the number of trips taken in June 2006 by residents of Spain were as follows:

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

Source: Guardia, T. and Garcia, S. (2008).

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

[23] In Colombia, where the period of reference for the 2003 Domestic Tourism Survey was a whole year, it was observed that the propensity to travel was approximately three times smaller than that observed in other countries of the region.

3.132. In short, unique observations (e.g., during one month for the purpose of analysing tourism for an entire year) should be avoided. Observations should be made repeatedly throughout the year, each observation covering a short period of time. Overlapping measurements could help secure a sense of any recall bias (if the measurements are carried out so as to provide a good estimate of the number of trips). In the case of computer-assisted telephone interviews, sending an information letter to respondents beforehand could help to reduce recall effect.

3.133. Recall problems do not relate only to remembering having taken a trip. An interviewee may remember having taken a trip after a considerable amount of time has elapsed; however, the greater the interval, the greater will be the difficulty of his or her remembering the details of that trip. This is particularly so in relation to obtaining good data on details of expenditure. Recall is even more of a problem for people trying to remember day trips and the details of those trips.

D.2.2.3. Calibration

3.134. Calibration refers to the statistical process by which sample characteristics expected to have a major effects on the results of a survey (travel behaviour) are aligned with the same characteristics in the universe. A good calibration process requires reliable and up-to-date knowledge of the relevant characteristics of the uni-

verse and selection of the right ones, i.e., those that correlate closely with the variables being observed. However, these requirements cannot always be fulfilled. For example, 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 needs to be implemented is in rectification of the completeness of the information related to the universe of selection.

D.2.3. Making tourism understandable to interviewers

3.135. 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 the assistance of an interviewer. In countries where interviews are conducted by telephone (CATI) (in many cases for reasons of cost, such countries should consider the need for:
  - — Guidelines for interviewers
  - — Inclusion 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
  - — Plausibility checks to be incorporated as part of the questionnaire.
- 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 who are not present. Interviewers sometimes must return for such details.

Box III.35
The 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, e.g., the log and response times, can be used to identify interviewers whose work is not correct (e.g., interviewers who did not read the entire standardized text). Additional random quality checks (e.g., through listening to audio files or dummy calls) are also conducted.

Source: Statistics Austria.

D.3. Table of results

3.136. Since the aim of the present 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 V of this publication, so as to not only serve national purposes but also ensure international comparability. The data for national purposes will be much more detailed.

3.137. For the purposes of international comparability, UNWTO annually requests the data set and indicators for domestic tourism from member and non-member countries and then disseminates them through the *Compendium of Tourism Statistics* (see Table III.3).

Table III.3

Example of a table of results for 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$	. .

Abbreviations:
('000): thousands
US$ Mn: millions of US dollars

3.138. Because these data are aggregated, it may be difficult to use them for certain national decision-making purposes. A decrease in total tourism expenditure expressed in United States dollars, for instance, could be attributed to different causes, such as a depreciation of the United States dollar or a change in the composition of visitors. For national policy purposes, detailed data are needed to elucidate such causes, as indicated previously (see para. 3.101).

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

Box III.36
Country example: trips by Canadians in Canada, by province and territory, 2011

Destination	Person-trips (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 and Nunavat	81[a]

[a] To be used with caution.

Note: Estimates are based on the 2006 Census population counts, including same-day and overnight trips. A same-day entails a distance of 40 kilometres or more one way.

Source: Statistics Canada.

Box III.37
Number of trips, overnights and expenditures of domestic visitors: example of Turkey

Year	Quarter	Number of trips (thousands of LT)	Number of trips (thousands of LT)	Average number of overnights	Expenditures			
					Total expenditures (thousands of LT)	Package tour expenditures (thousands of LT)	Individual expenditures (thousands of LT)	Average expenditure per trip (of LT)
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

Source: Statistical Institute of Turkey (2013).

Box III.38
Domestic travel trends, 2004-2008: example of New Zealand

Domestic 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
Visiting friends/relatives	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

Source: New Zealand Minstry of Business, Innovation and Employment (2009).

E. Outbound tourism

3.140. 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 1) inbound tourism, that is, observing movements at or near the border (see para. 3.10) or 2) domestic tourism, that is, using a household survey once the trip is concluded (see sect. D above). In the first case, adjustments might be required, since the object of observation, an outbound visit, could be part of either an outbound or a domestic trip.

3.141. 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.

3.142. Countries often defer the observation of outbound tourism in general to a stage later than that for inbound and domestic tourism. This is because its impact on the local economy is experienced 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 encouraged to select domestic destinations, the reasons for their choice of foreign travel need to be understood.

3.143. Most of the suggestions 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., upon completion of their trip.

3.144. Points made with respect to inbound tourism about the typology of modes of transport for entering or leaving a country (see sect. C.1.1), the complex conceptual and statistical issues arising in specific situations (see sect. C.1.2) and the main statistical sources used (see sect. C.2.2)—are valid here as well.

3.145. 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. If large differences are found, for instance, in respect of the number of trips or in the measurement of outbound versus inbound tourism, this would call both procedures into question, and might serve as a possible basis for review.

3.146. Like domestic tourism and possibly even to a greater extent, outbound tourism may be particularly prevalent among specific segments of the population, e.g., those living near land borders, residents of foreign origin or families of emigrants. It might be important for the purposes of analysis or the adjustment of domestic tourism measurements in TSA terms to observe characteristics in this regard for different subsets of visitors within the reference population (see IRTS 2008, para. 2.39 (c); and TSA: RMF 2008, para. 4.40).

3.147. Similarly, when measuring tourism flows and characteristics of trips and visitors, the same classifications identified for inbound tourism (see paras. 3.99 and 3.100 above), are also applicable to outbound tourism.

3.148. 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. If it is decided that information is to be collected, the question becomes how much. For example, is it sufficient merely to identify the individual

countries visited, without breaking down the data according to 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 them. An alternative approach in some countries is to identify only the main country visited (the one central to the decision to take the trip), at the risk 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 balance-of-payments requirements.

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

Table III.4
Example of a table of results for 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$	. .

Abbreviations:
('000): thousands
US$ Mn: millions of US dollars

Box III.39

Country example: US citizens traveling to international regions

2012															
Region	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total YTD	Percentage change YTD	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[b]	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)[c]	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
Mexico (air)[b]	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	[d]
Canada (total)[e]	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
Canada (air)[b]	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	[d]
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 percentage change[a]	1.1	12.0[f]	8.2	0.5	1.0	4.7	-2.6	3.9	0.7	0.5	2.4	-0.6			

Abbreviations: DHS APIS, Department of Homeland Security—Advance Passenger Information System; US DOT/BTS T-100, United States Department of Transportaion/Bureau of Transportation Statistics T-100 data bank (Air Statistics Carrier database).

[a] Collection methodology DHS APIS (overseas and Mexico air) comparable for all of 2012/2011.

[b] Overseas and Mexico air traffic (non-stop from US port to foreign port). Source DHS APIS.

[c] Mexico aggregate total (including air, land and border, one or more nights) Source: Banco de Mexico. Preliminary estimate.

[d] Market share of "air" travel compared to all travel: Mexico air, 15.3 per cent; Canada air, 9.3 per cent.

[e] Canadian aggregate total (including air, land and border, one or more nights). Source: Statistics Canada.

[f] OTTI reconciled total APIS traffic numbers to US DOT/BTS T-100 international data through August 2012 (BTS does not segment by citizenship). In February 2011, APIS was 10 per cent below T-100.

Note: All air traffic to and from all international regions (on United States and foreign flags) are reported by OTTI in the "US International Air Travel Statistics Report".
Source: United States Department of Commerce, International Trade Administration, Office of Travel and Tourism Industries (OTTI). Released 12 March 2013.

Chapter 4

Measuring tourism expenditure

The present 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 and categories of tourism expenditure and their relationship with different forms of expenditure, and describes the different means of and sources for measuring inbound, domestic and outbound tourism expenditure. It also examines the means of presenting the resulting statistics and provides sample tables of results. The last section deals with measurement issues related to specific transactions that may arise.

A. Introduction

4.1. Besides 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 forms of economic analysis, thereby, permitting the integration of tourism policy within a country's general macroeconomic policy framework. One of the key economic dimensions encompasses tourism as related to visitor expenditure for and while on tourism trips. The present chapter describes the scope and different categories of expenditure associated with movements of non-resident visitors to the country of reference (inbound tourism), movements of resident visitors within the country of reference (domestic tourism) and movements of resident visitors outside the country of reference (outbound tourism).

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

4.3. The difference between tourism expenditure and tourism consumption is significant. 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, para. 4.2). Tourism consumption comprises tourism expenditure as well as a number of other non-expenditure consumption items whose value needs to be imputed. These are mainly the use of second (holiday) homes and government subsidies to facilities used by visitors (e.g., museums and exhibitions). Tourism consumption is usually required only for purposes of constructing a TSA. However, tourism expenditure, collected through visitor surveys, is an important component of basic visitor information which is useful for a variety of purposes, such as marketing and policy development. This Compilation guide focuses only on tourism expenditure and not on total tourism consumption.

4.4. Significantly, data on tourism expenditure (and ultimately consumption) are particularly important as they constitute the basis for matching tourism demand and tourism supply. Such matching through use of a TSA enables measurement of tourism's contribution to an economy. For a full description of the differences between tourism expenditure and tourism consumption, see TSA: RMF 2008, paras. 2.25-2.28.

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 pressure for the alignment of tourism statistics with the IMF publication *Balance of Payments and International Investment Position Manual,* Sixth Edition (BPM6), (see also IRTS 2008, chap. 8 sect. B) and the *Manual on Statistics of International Trade in Services 2010* (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 concern is the difference between measuring the flows of visitors and measuring the expenditure they engage in. While the flows tend to be measured at the point of arrival in the country of reference for inbound tourism and at the point of departure from the country of reference for outbound tourism (see chap. III sect. C.1). The reverse is the case for expenditure: it is measured at the point of departure from the country of residence for inbound tourism and at the point of arrival in the country of residence for outbound tourism. 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, 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 so that the information can be combined at a later stage.

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

B. Tourism expenditure and its categories

B.1. Recalling the basic concepts

4.8. In paragraph 4.2 of IRTS 2008 tourism expenditure is defined 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". Further, "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, as defined in the System of National Accounts (see 2008 SNA, chap. 9, sect. D), 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 (which are included in tourism consumption) (see IRTS 2008, paras. 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 the payment is by credit card). For this reason, the terms "acquisition" and "payment" should not be used interchangeably since acquisition and payment usually occur at different points in time (IRTS 2008, paras. 4.8-4.11). This difference has to be thoroughly understood when measurements are being made and questionnaires are being developed.

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 those individuals' behalf (see paras 4.81-4.88). Examples include other households (such as relatives or friends hosting visitors), or employers who cover transportation, paid accommodation or other services for their employees. However, irrespective of who actually pays, if a visitor acquires a good or service, then it may be considered in tourism statistics. Respondents should be made aware of this when responding to a survey 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 price). 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 entail the acquisition of a good or service. Interest payments, donations to a foundation, the purchase of a vacation home and 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, para. 4.6).

4.14. This has to be borne in mind when questionnaires are being designed for the measurement of tourism expenditure, and respondents, who tend to not differentiate between such outlays, need to be made aware of it (IRTS 2008 (paras. 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 the forms of tourism

B.2.1. Definitions

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

4.16. It should be mentioned that the recommendations previous to the IRTS 2008 suggested including post-trip expenditure as well. Dry-cleaning and photo printing were the most frequently cited examples, but there are a host of other possibilities—even car repairs or hospital bills in the case of accidents during travel. Given the circumstantial 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 which are clearly linked to a specific economy, the national economy in which expenditures have occurred needs to be specified.

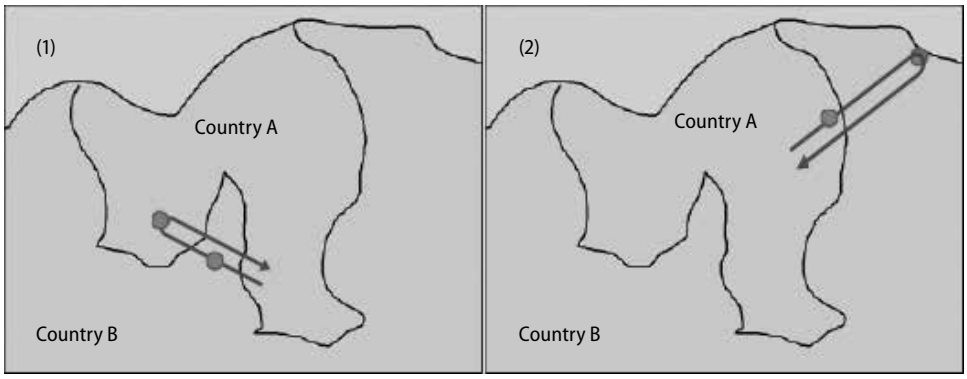
4.18. In response to this requirement, the following categories of tourism expenditure have been defined (IRTS 2008, para. 4.15):

- **Domestic tourism** expenditure which is the tourism expenditure of a resident visitor within the economy of reference
- **Inbound tourism** expenditure which is the tourism expenditure of a non-resident visitor within the economy of reference
- **Outbound tourism** expenditure which 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 reference. 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, para. 2.7). This means that an outbound trip can include a leg (even a long one) travelled within the country of origin before it is departed from (see para. 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 departure of 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 for the purpose of an outbound trip before the trip (e.g., clothes for the trip and film).

4.20. The case is similar for outbound legs of domestic trips. Such visits should not be counted as trips, since by definition they are not round trips (IRTS 2008, para. 2.30). The expenditure associated with outbound legs of domestic trips should be included under outbound tourism expenditure (since they involve transactions between residents to non-residents). 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 the location of the main destination.

Figure IV.1
Case of a domestic trip with an outbound leg and of 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.

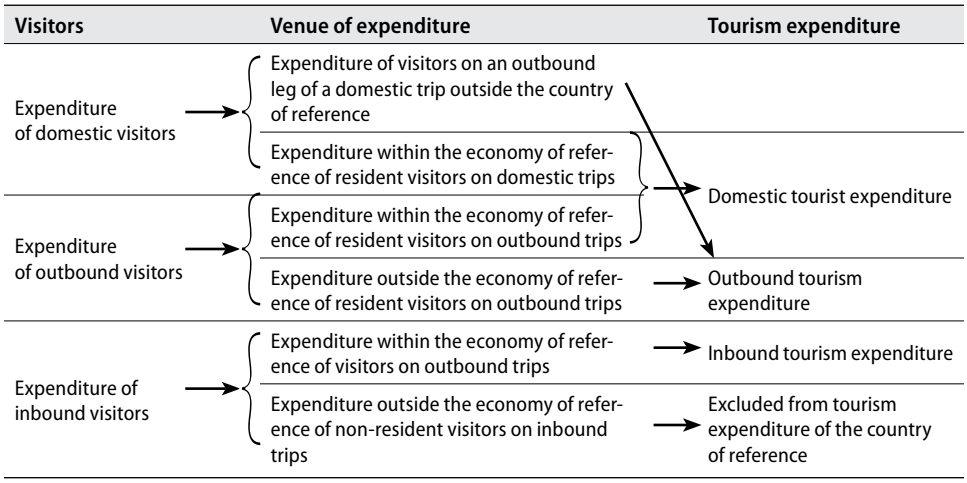
4.21. The figure above demonstrates that there is no one-to-one correlation between trip classified as domestic, outbound or inbound tourism, on the one hand, and tourism expenditures classified in those same categories (domestic, outbound, inbound), on the other. Part of the expenditure by visitors 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, expenditure by visitors on inbound trips which occurs en route within the visitors' own economy 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, not the economy in which the payment is made.

4.22. A related situation is one where a domestic visitor (with no outbound component of his or her 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, para. 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 could be identified.

4.23. Figure IV.2 illustrates how types of visitors and the categories of tourism expenditure are related.

Figure IV.2
Relationship among visitors, the venue of expenditure and tourism expenditure



Note: For domestic visitors: "expenditure within the economy of reference of resident visitors on domestic trips" is not "domestic tourism expenditure" if the product is provided by a non-resident entity. For outbound visitors: "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 of 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 areas of expenditure, however, such determinations are less straightforward, in particular for the following three :

- Transportation between origin and destination (mainly air, but also rail and water)
- Package tours
- Reservation services, embedded 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 problematic.

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

4.28. An international visitor may book air travel on more than one airline. These airlines can be resident companies in the country of origin, or in the country of destination, or even in a third country or in two or all three of them. If a separate ticket is issued for each segment using a different carrier, it is easy to determine their respective country or countries of residence and the amounts paid to each. However, it is also common for one airline (the validating or plating carrier) to sell a single ticket for travel on many 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. It is not easy to distribute the total amount paid for a ticket among the different legs of the journey and the different airlines involved: this amount usually reflects different price categories, different taxes levied by the countries of origin and/or destination and, in some cases, a commission for the travel arranger (formal travel agent or online operator), whose country of residence it can also be difficult to determine. Survey respondents cannot be expected to sort all this out, nor do they have the detailed information necessary to do so.

4.30. Another complicating factor is that airlines operate in certain segments under code-share agreements. A code-share 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 formulas and bilateral arrangements specific to each segment. What needs to be identified for tourism purposes is the country of residence of the operating carrier, that is, the one providing the service to the visitor. For balance-of-payments purposes, it becomes necessary also to 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 those identifications.

4.31. Additionally, airlines and railway companies might operate as multi-territory enterprises, defined as enterprises that "operate as a seamless operation over more than one economic territory" (see BMP6, paras. 4.41-4.44). Although such an 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" (ibid.).

4.32. Fortunately, compilers of tourism statistics are not the only compilers interested in these issues: national accounts and balance-of-payments compilers deal with similar questions and face precisely the same difficulties, which means 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 compilers of tourism statistics 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 the different categories of tourism expenditure,

because, the balance of payments is concerned only with global data. This distribution will possibly require some types of adjustments in the data and the final presentation within the table recommended by the TSA (if relevant). It is also to be remembered that tourism statistics (which, basically, are compiled for the purpose of setting up a TSA) use the net valuation principle for reservation services (see IRTS 2008, paras. 6.46-6.54), which is not the case. Either in the balance of payments or, necessarily, in national accounts (see TSA: RMF 2008, paras. 3.21-3.24).

Box IV.1
Imputation in the Statistics Canada International Travel Survey Program

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 sharing some identical key characteristics with 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 per cent of all United States travellers to Canada and 1.2 per cent of Canadian residents travelling outside Canada.

Imputation of questionnaires is required only for Canadian and United States travellers. Total imputation is also performed for any in-scope PFG for which an insufficient number of questionnaires have been received 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 United States car travellers by states 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[24] 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 para. 4.52). Travellers on package tours receive a combination of trip-related products and tourism services, including international and national transportation, accommodation, food and beverage services, sightseeing and entertainment. Package characteristics vary. Some are "off the shelf", while others are customized in response to specific traveller requests through combining elements previously negotiated and selected by the packager (and purchased from designated providers) who anticipated a demand for them and often places itself at risk (IRTS 2008, 6.46-6.54; and TSA: RMF 2008, paras. 3.21-3.24).

4.35. Some package tours are limited to one or more domestic destinations, i.e., to places within the economic territory of the packager's country of residence. Many, however, include travel to foreign destinations, i.e., destinations outside the packager's economic territory, or a combination of domestic and foreign travel.

4.36. The statistical treatment of package tours is complicated. Package tours usually involve a number of different products and services which are supplied by different providers. In addition, these companies might reside in various countries: some

[24] World Tourism Organization (2004c), "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", *Enzo Paci Papers on Measuring the Economic Significance of Tourism*, vol. 4, pp. 151-175, available at http://statistics.unwto.org/sites/all/files/docpdf/clarifying.pdf (30-05-2014).

in the country of the purchaser, and some in the destination country or even in a third country. Tourism statistics must take this constellation into account if the extent of the involvement of different economies is to be correctly determined.

4.37. Usually, if the package entails domestic travel, it will be assumed that all goods and services included in the package have been provided by resident producers. However, this assumption may need to be reviewed in the future because of the call for open skies in the context of increasingly globalized economies.

4.38. A packager might sell its product not only to residents of the economy within which it operates, but also directly to non-residents through a travel agency (which may or may not reside in the economy of reference) or 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 among 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 approaches available to countries in this regard. One would be to obtain information by means of (modules added to) supply surveys, as explained in the example below. The alternative would be to obtain information by means of a "case study" sample of selected key travel agent establishments. In either case, compilers will need to be well prepared if they seek to earn the trust and secure the collaboration of data providers.

4.41. A challenge that needs to be considered irrespective of the approach is that of differentiating between wholesalers and retailers, who may either purchase pre-packaged tours or package them themselves, and, between their respective margins on the various products. As tourism statistics encompass matters involving only direct contact with visitors, the retailers' margin but not the wholesalers' should be included.

Box IV.2

Treatment of package tours in the balance of payments: example of Austria

In Austria, the main source for collecting data on expenditure on goods and services for outbound trips is the quarterly sample survey dealing with holiday and business trips. The outcome of this survey encompasses the expenditure for outbound travel.

However, the amount of expenditure also includes components that must be allocated to domestic tourism (e.g., the travel agency fee for services rendered). Thus, owing to conceptual and methodological factors, there arises a discrepancy with respect to the travel item balance of payments (T-BOP), which covers the collection of expenditure abroad.

Therefore, these domestic components have to be isolated in order for these to be consistency with the recommendations of the International Monetary Fund (IMF) as the physical travel destination may not coincide with the actual monetary flow, as in the case where tour operators located in third countries are involved. Indeed, in the many cases where tour operators located in Germany or the United Kingdom organize package tours for Austrian residents, the monetary flows do not coincide with the physical travel destinations but rather with the official location of the tour operators. According to IMF recommendations, passenger transport has to be accounted for separately and is not part of the T-BOP, as conceived in its narrower sense. Therefore, as package products in many cases include a transportation item, it is necessary to separate these products into their components to at least isolate the international transport item.

Given that the sample survey is demand-related, necessary adjustments relating to package products need to be made, namely:

- Certain (cost) components that are part of domestic production must be excluded, as they are not part of the T-BOP
- Transportation items must be segregated from the general travel products
- The geographical breakdown must be adjusted according to the monetary flows if tour operators located in third countries are involved.

As these operations cannot be accomplished by using only the information from the sample survey, additional information from business providers is needed. This supply-oriented information is used to establish a disaggregation model so as to enable the expenditure amount of package tours to be separated into sub-aggregates, which can then be adjusted according to T-BOP requirements.

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*, version 1.2.

Source: Statistics Austria (2013).

Box IV.3
Statistics on products in the services sector: example of Spain

The form of the organization of a trip is a characteristic of the trip which is usually collected in demand surveys and enables an evaluation of the volume and importance of the package tours. In Spain, this variable is included in household surveys (*La Encuesta de Movimientos Turísticos de los Españoles* (FAMILITUR) and in frontier surveys (*La Encuesta de Movimientos Turísticos en Fronteras* (FRONTUR) and La Encuesta de Gasto Turístico (EGATUR)).

The information related to package tours, collected from the demand side, is highly useful. However, the supply survey approach, where this information is directly provided by the companies that develop these products, should not be neglected.

Information from the supply side is best for elaborating various elements of great significance in characterizing tour packages, such as their composition (services included) and their marketing circuit.

In order to obtain this information, Spain's National Statistics Institute has developed a specific module for travel agencies through which certain data related to package tours are collected. This survey is included in Statistics on Products in the Service Sector, which is part of the Annual Services Survey.

For travel agency and tour operator activities, the available information is divided into three sections:

- Breakdown of purchases of products and services acquired
- Breakdown of turnover by product and service sold
- Breakdown of turnover by type of client

The data derived from this survey can be applied to some of the tasks associated with the TSA framework (e.g., the unbundling of package tours).

Source: Spain, Instituto Nacional de Estadísticas (2011).

Reservation services

4.42. Visitors often purchase services for and during their trips through intermediaries, most commonly, travel agencies (physical or Internet-based) but often also including reservation services (e.g., for shows and hotels). The transaction is usually conducted on a commission or fee basis (either explicitly, with individual invoices, 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 that, as with intermediated services, in all cases, visitors who have used reservation services should be recorded as having done so (see IRTS 2008, paras. 6.46-6.54; and TSA: RMF2008, paras. 3.21-3.24).

4.44. Besides the difficult issue of valuing reservation services, there is the challenge of determining the country of residence of such providers, so that consumption of their services can be assigned to the proper category of tourist expenditure.

4.45. Usually, the adjustment will be carried out only in respect of reservation services provided by travel agencies for international air transportation, packages and cruises. It is assumed that when those services are purchased in the traveller's country of residence, the travel agency resides in that country and that the value of 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 be only of a global nature, so usually the type of adjustments discussed cannot be made on an individual basis. Rather, adjustments will tend to be made on an aggregated basis, possibly to all relevant visits and for data 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 paras 4.65-4.66), although this source will not always provide the level of detail required for goods and services and industries.

B.2.3. Classification of tourism expenditure

4.48. In order that demand by visitors for specific goods and services may be related to the supply of those 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, chap. 4, sect. D). While in industrial statistics and in the national accounts, products are usually analysed in classifications derived from the Central Product Classification, IRTS 2008 recommends that the collection of tourism expenditure data be carried out such a way as to make understanding and reporting as easy as possible for visitors.

4.49. IRTS 2008 thus recommends using a classification that allows visitors to group their expenditure according to purpose, namely, the Classification of Individual Consumption According to Purpose (COICOP), which is commonly used for the description of personal consumption in general statistics and household surveys and has the primary advantage of being linkable to CPC (which, in turn, enables linkage to supply-side classifications) (see Chapter V).

The categories most commonly used and recommended in IRTS 2008, are:

- Package travel, package holidays and package tours
- Accommodation
- Food and drink
- Local transport
- International transport
- Recreation, culture and sporting activities
- Shopping
- Others

Box IV.4
Trip expenditures imputation: Travel Survey of Residents of Canada

In the Travel Survey of Residents of Canada, trip expenditures' imputation is conducted 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 destination, duration, number of people in the travel party and main reason for trip. 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; this is not the case, 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.

4.50. Measuring tourism expenditure within a consistent framework like the TSA entails both the use of aggregated categories (such as those in COICOP) and more detailed data for certain breakdowns of expenditure in order to enable the link to supply (see Chapter V for further information on classifications). If the intention is to ultimately link the expenditure data to supply-side information (as in the case of the TSA), information from the above categories needs to be further broken down according to CPC, which is the classification used for the list of tourism characteristic products (see chap. V, sect. C, and IRTS 2008, para. 5.18).

4.51. Because flows and expenditure are often observed at different moments in time (paras. 3.66 and 4.6), and in order to measure total inbound tourism expenditure, expenditure data need to be assigned to data on flows.

4.52. With regard to inbound tourism expenditure, balance-of-payments figures for the "travel" and "passenger transport" items are used extensively as a first approximation. IRTS 2008 (paras. 8.22-8.25) explicitly recommends that tourism statistics allow tourism-related expenditure to be identified under "travel" and "passenger transport" as an item supplementary to the standard balance-of-payments component. 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 that of COICOP, although the differentiation between goods and services may cut across the COICOP-based categories (see paras. 5.9-5.16).

B.3. Measuring inbound tourism expenditure

4.53. The most common and rigorous method of observing expenditure by non-resident visitors entails surveying them as they leave the country (see chap. III, sect. C.2.2.1). The methods given below are used to observe inbound tourism expenditure. Further, it should be noted that the following discussions on border surveys, surveys at accommodation or tourism sites, and the use of electronic prints encompass elements of relevance to the measurement of domestic and outbound tourism expenditure as well.

B.3.1. Border surveys

4.54. As discussed in Chapter III, UNWTO has designed a set of proposed basic questions which can serve as the starting point for a questionnaire (see para. 3.88), a sample questionnaire for illustration as well as the Sweden's visitor survey are provided in Annex I. 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 when updating or designing their own questionnaires.

4.55. In the context of tourism, a module is a set of interconnected questions designed to elicit details on certain characteristics of tourism behaviour, 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, in any case, always regularly). The module refers specifically to the questionnaire module on "Expenditure" (see Annex I).

4.56. As the module's frequency of use and structural link with the border survey deserve attention, the issue is further elaborated below.

4.57. The procedures for implementing a survey discussed in Chapter III apply to border surveys, but they can also be applied to surveys at accommodation establishments and popular tourism sites (see paras. 3.90-3.91) or to the use of mirror statistics. Information based on the electronic prints that visitors leave behind as they pay for their expenditures can also be used, but in this case the procedure is quite different (see sect. B.3.3 of the present chapter).

4.58. In countries in where tourism is significant, inbound tourism expenditure can be measured continuously and simultaneously with the observation of visitor flows, provided that the necessary technical and financial resources are available for this work on an ongoing basis.

4.59. If sufficient resources are not available, or if it is deemed unnecessary to perform these measurements continuously—for instance, because average expenditure per day is observed or because expenditure is considered to remain 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:

- **Pluriannually (every five 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 large in each category to permit such modelling 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 paras. 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 III.2 for the example of Austria), which may differ depending on the purpose of the visit. In particular, the busiest seasons for personal tourism may be entirely different from those for business and professional tourism. The design of border surveys should reflect such patterns, enabling identification of which flows should be covered in high versus low season. Seasonality should also be verified regularly, to identify changes in the cycle.

B.3.2. Visitor surveys at accommodation establishments or tourism sites

4.60. This type of survey offers a valuable means of complementing information obtained from border surveys (see chap. III, sect. C.2.2.2). Such surveys can also be a useful source of information in cases where observing expenditure at the borders is not a viable option (e.g., when there are significant inbound flows by road and no practical means of stopping visitors near the border). They can be especially useful for obtaining "average daily expenditure", for example, and can be an important complementary source of information when the goal is a more detailed examination of the characteristics of visitors and their expenditure.

4.61. However, visitor surveys also have a number of limitations (see paras. 3.90-3.91), which need to be carefully evaluated and accounted for as much as possible during the statistical design stage. A given visitor might visit more than one such tourism site or none at all, making his or her probability of selection variable or unknown.[25] The case is the same for visitors surveyed at accommodation establishments, since some visitors might stay at more than one establishment or none at all (e.g., if they stay with family or friends or in their second home).

4.62. Estimating expenditure at the time of the interview, before most visitors have concluded their stay in the country, is even more challenging: they can report what has happened only 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 factors might oblige visitors to change their mind about their stay and anticipated expenditures.

4.63. It may be more useful to ask for expenditure only 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 minimize the bias associated with obtaining the value of total expenditure to date.

[25] An interesting example of the construction of probabilistic samples is given in Deville, J.C. and Maumy-Bertrand, M. (2006), "Extension of the Indirect Sampling Method and its Application to Tourism", Survey Methodology, volume 32 (2), pp. 177-185 available at http://www.statcan.gc.ca/pub/12-001-x/2006002/article/9552-eng.pdf (23-03-2015).

Box IV.5
Domestic tourism: average expenditure per day—example of Colombia

Form of accommodation, average expenditure per day (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 transport	377	414	869	408
Gas	1 215	3 835	3 331	1 669
Tolls	603	1 835	1 276	800
Other transport 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: Departamento Administrativo Nacional de Estadística (2003).

Note: Calculations: Dirección de Síntesis y Cuentas Nacionales (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 the whole structure of their expenditure is significantly different from that of persons staying at market accommodation establishments (see Box IV.5): 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.

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 card records to estimate part of total inbound tourism expenditure (and possibly that 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, and 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
- In most transactions payment is by credit or debit card or with cash withdrawn from an ATM

4.66. Such an approach would require agreements with the local managers of international credit card companies in order to establish 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 has been discussed in chapter III (see sects. D.1 and D.2). Most issues covered in the previous section B.3 directly above, are also relevant here.

Box IV.6
Domestic tourism statistics: example of the Philippines

For the purposes of domestic tourism statistics, the Philippines conducts 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 could be a smaller HSDV survey providing core indicators in the form of a quarterly rider to the Labour Force Survey. The National Statistical Office is also looking into the possibility of including a tourism module in its Family Income and Expenditure Survey.

Source: Fabian A., E. and Say Y., M. (2007).

4.68. Because a (sometimes large) proportion of the sampled households will not include a member who engaged in some form of tourism activity in the reference period, a large number of households must be selected to ensure that there is a net sample providing sufficient information. Since the interviews are conducted after visitors return to their usual environment, leaving the hurry and pressure of travel behind, they may be able to recall their expenditures more easily and more precisely by reviewing bills, invoices and credit card receipts (particularly if they receive a letter informing them of the interview in advance). In support of this exercise, it is recommended that visitors be asked to describe their trips, including the different places visited and the activities engaged in, so that expenditures can be connected more easily with each of these components and their addition can thereby yield a figure for total expenditure.

4.69. An additional issue associated with domestic tourism expenditure, as compared with inbound tourism expenditure, is the fact that in many countries, visits of residents to vacation homes 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:

a) **Expenses related to ownership** of the vacation home or timeshare that are 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. They should not be included in tourism expenditure (IRTS 2008, para. 4.7);

b) **Expenses clearly associated with a specific trip** to the vacation home, such as transportation and food. They 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,[26] and any tourism expenses incurred during the leg of the trip that occurs in the country of residence (see paras. 4.19-4.20). It is important to collect information on such outbound trip expenditures that occur before departure from the country of residence. This information, which is not necessarily covered by domestic travel surveys, can also be derived from surveys on outbound trips.

[26] It should be noted that, unlike the purchase of an imported good within the country of the outbound tourist, an imported service, which most often relates to transportation, is not part of tourism expenditure and hence should be excluded.

4.71. So that more details may be obtained on certain aspects of visitor spending, subsamples 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 provide the details relating to some but not necessarily all categories of expenditure, thereby making the interview procedure less burdensome while still permitting detailed information to be obtained. This approach assumes, however, that the size of the overall sample is sufficiently large to permit subsampling while still yielding reasonably precise information and allowing for the cross-classification of observed variables (non-monetary as well as monetary). As a result, the statistical design and grossing up procedures could be complex.

Box IV.7
Trip imputation: Travel Survey of Residents of Canada

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 those 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's, called a "donor pool". Only trips from the same recall month and trip type (same-day or overnight) as the recipients are considered to be part of the donor pool. These are mandatory matching categories.

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 per cent of overnight trips and 25 per cent of same-day trips that were rostered but not explored in detail will have characteristics of other people's trips assigned to them through 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 III), outbound tourism expenditure can be measured at or near the border as outbound visitors return from their trips 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. When used as such an input, the measurements from the survey are known as mirror statistics (see chap. III, sect. C.2.2.4).

Box IV.8
Compilation of information about expenditures: example of Austria

In Austria, sample surveys of the country's population have proved to be the most efficient means of gathering information on domestic and outbound tourism expenditures. Every quarter, a representative sample of Austria's population are questioned about their travel behaviour with the help of computer-assisted telephone interviews (CATI).

In the 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 (e.g., as a gift or an invitation to a dinner), should also be included. 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 therefore possible. Supervisors, interviewer training, pretests and interviewing instructions ensure the quality of the interviews. Plausibility checks are integrated so as to prevent typos and outliers.

Warnings, for example, are programmed to pop up during the interview if the stated expenses are below specified expenditure minimums. This gives the interviewers the opportunity to restate that expenditures made on behalf of the respondent must be included. These consistency checks ensure that typos and outliers are identified during the recording phase and corrected (if necessary) immediately.

Source: Statistics Austria.

B.6. Specific issues

Use of package tours

4.74. An important issue is whether the visitor or his or her party is a member of a package tour, particularly for countries where package travel is prevalent (see paras. 4.34-4.41 and the UNWTO entitled "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"). 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, although 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, and souvenirs. There are some packages (e.g., entailing a visit for the purpose of attending a conference with, inter alia, accommodation, local transportation, meals, documents and visits to tourism attractions covered by a registration fee) that might not be perceived by travellers as constituting formal tours (i.e., as having been organized by a travel agency). The analyst should try to identify such arrangements if they are deemed to constitute a significant proportion 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 different transactions and the effect of different exchange rates on the measurement of expenditure, for both 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 or 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 be recorded preferably in the currency which it is easiest for the respondent to report on. For example, if a purchase was made before departure (e.g., if packages were purchased in the visitor's place of residence, international transportation was booked or automobiles were hired in the country of residence, or any other prepaid transaction was carried out in the country of origin), the visitor should report the expense in his or 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 be recorded so that conversion can be conducted 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 (average of 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 individual members, of the travel party. The amount of the expenditure can be calculated either proportionally to the size of the travel party or on the basis of an equivalent scale which takes into consideration the age composition of the travel party (e.g., the number of adults and children). The amount identied using either method is assigned to each member of the travel party.

4.79. Some countries that use the United States dollar as a unit of account in their balance of payments despite its not being the local currency normally used in transactions require that visitors report their expenditure in that currency, in order that the amounts may be recorded directly under the "travel" item of their balance of payments. This method is not recommended, however, for two reasons. First, since the United States dollar is not the reference currency of all inbound visitors, many would need to perform an approximate conversion. Second, the compiler would then need to make another conversion, into the local currency, for tourism statistics and national accounts purposes, thereby, generating an additional approximation.

International transport`

4.80. As noted in paragraphs 4.26-4.33, international transport is a challenging issue. It is not always easy to determine whether a service provider, even when not included in a package, 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 problematic 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 above-mentioned commercial practices of interlining and code sharing and because of the existence of 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 usually this must be carried out on an aggregated rather than an individual basis, that is, the adjustment must 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, para. 4.5). This information is required not only by tourism statistics but also by the 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 with certain items free of charge by an employer, say, or a host—particularly as regards, inter alia, international transportation from home, accommodation, meals and recreation.

4.83. Either of two situations may arise in tourism statistics, in connection with the place of residence of the party paying for the expenses, and they will need to be treated differently:

- If the residence of the visitor and the residence of the party paying for those expenses are the same, then no major conceptual conflict exists, and the expenditure is treated as if the visitor him or herself had paid for it.
- If the expenses are paid for by someone with a residence in the country visited, then a conflict does arise. In the context of the visitor, the expenditure would be assigned to the inbound tourism expenditure of that country; in the context of the person who pays, it is outside the scope of tourism transactions entirely inasmuch as that person 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 involves persons residing abroad, who are invited to spend time with the members of their family residing in the country of reference, and who usually do not themselves pay 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 that visitor has not paid for them him or herself. For national accounts and balance-of-payments 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 the case of individuals making the expenditure on behalf of the visitor, such expenditures are not estimated. In the case of businesses making the expenditure, the adjustment could be made if accounting information was available.

4.86. In some cases, it might be possible for visitors to provide estimates of those expenditures. For example, a visitor on a business trip whose employer has paid for transportation and the hotel, might know the amount paid, as he or she may 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 as 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, dine in restaurants or use air transportation but are not able to report values, with the result that those values are then considered unknown.[27] In all such cases, recordkeeping principles of the national accounts should be followed, which means generally that estimating accommodation services when a guest shares the host's dwelling are not estimated. In the case of food prepared in the host's home, in theory estimates should be obtained, where possible, of the additional consumption generated by the visit, although few, if any, countries obtain such estimates.

[27] This points to the importance, in the questionnaire on expenditure, of making a clear distinction between a zero value (estimation = 0) and an unknown value that will subsequently need to be estimated using statistical methods.

Tourism expenditure classified in the national accounts as intermediate consumption

4.88. Some concerns may arise regarding the portion of tourism expenditure that is classified in national accounts as intermediate consumption. Specifically, the 2008 SNA states that all purchases of goods and services by employees on business trips, should be classified as intermediate consumption (see also TSA: RMF 2008, paras. 2.32-2.33).

Box IV.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, in-kind remuneration 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: transportation and hotel services, including allowances for meals provided while the employee is travelling on business.

Source: 2008 SNA.

4.89. However, in tourism statistics this is handled differently. As regards to tourism expenditure, IRTS 2008 (para. 4.5) 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. The same holds true in the case of clients or suppliers directly invited on a trip by a business at the expense of the business.

4.90. Nor is such a distinction made 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.[28]

[28] World Tourism Organization (2004b), "Some thoughts about Tourism Value Added", *Enzo Paci Papers on Measuring the Economic Significance of Tourism*, vol 4, pp. 133-150, available at http://statistics.unwto.org/sites/all/files/docpdf/valueadded.pdf (30-05-2014).

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 or 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 timeshare. 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 home or timeshare, a specific set of questions should be asked so that the associated expenditure can be estimated (see chap. VI, sect. B.2.4).

"Frequent flyer" benefits and other premiums

4.93. Most airlines have loyalty rewards programmes, enabling their domestic and international customers to accumulate miles or points redeemable, e.g., for

tickets or upgrades. Airlines may also permit miles accumulated to be redeemed with other airlines or providers of other goods and services (such as hotels, car rental companies, credit card companies and retailers). How should the redemption of such rewards be recorded?

4.94. Frequent flyer miles or points are treated neither as income accruing to the traveller or credits against 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 about two United States cents per mile.

4.95. There are two options for valuing transactions involving redeemed miles: (*a*) at book value, that is, the value that should have been paid for without the redeemed miles; or (*b*) at the actual monetary cost to the purchaser. More specifically:

- In the case of book value, the miles are considered a means of payment, the value of which exactly matches that of the discount obtained through redemption. This would seem to imply that the airline recognizes the miles as a liability and, in a sense, provides a means of payment; but in fact airlines do not view miles as a liability because many expire without ever being redeemed;
- In the case of monetary cost, 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 case of promotional coupons issued by supermarkets when customers buy their products for use as payment towards their future purchases which are treated as rebates or discounts.

The option is recommended whereby transactions involving miles are valued according to, and at the time of, monetary (cash) payments only. Thus, they are considered 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" (2008 SNA, para. 9.42).

4.97. For the 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.A (see Box IV.10)
- Multiple-purpose consumer durables: those that are used exclusively, or primarily, for non-tourism purposes

4.98. According to IRTS 2008 (para. 4.36 (h)), all durable consumer goods purchased on trips (such as computers and cars) should be treated as part of tourism expenditure.

Box IV.10

Classifying tourism single-purpose consumer durables

TSA: RMF 2008 provides a reference list of tourism single purpose consumer durables.

Products[a]	CPC, Ver. 2	All countries	Optional
Airplanes and hang gliders	49611, 49622	Yes	
Motorhomes 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]			
Motorboats, 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
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
Waterskis 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 subclasses 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 might be undertaken by individuals 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 owing to its particular characteristics.

To facilitate this process, a category common to all countries is proposed, namely, "Other recreational and sporting equipment", which would allow each country to indicate the products that reflect its own typical activities, whether they be skis, waterskis, tennis racquets or golf clubs.

Source: TSA: RMF 2008, annex 5 A.

4.99. Expenditure on tourism single-purpose consumer durables should always be included, irrespective of when this expenditure is made (TSA: RMF 2008, paras. 2.39-2.43). This represents an exception to the general rule that tourism expenditure should include expenditure occurring only 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 such goods should be included in tourism expenditure. Because information on tourism expenditure is usually collected through sampling of visitors at the end of, or after they have completed their trip, it may be necessary to use a different methodology to collect the information on such

expenditure, as expenditure on those goods after a trip is completed would not be included in such a survey. A possible methodology would entail sampling suppliers of such goods. Such surveys may already be conducted for national accounts purposes. However, such surveys are used as sources, and suppliers will likely provide only the value of their output, whereas what is required here is the retail value (i.e., how much those goods cost the visitors). In such cases, estimation of the retail value from the suppliers' output value would require that adjustments be made.

4.100. As regards, to multiple-purpose consumer durables, only expenditure on such goods purchased during a trip should be included. While this also represents an exception to the rule that expenditure incurred for (i.e., before) a trip should be included, the exception is recommended, as such goods are likely be used more for non-tourism purposes after the trip is completed. These data, along with those on their other expenditure, can be collected by the recommended sample surveys of visitors at the end of, or after, their trip is completed.

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 set. However, national accounts and balance of payments include those 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 measurements with measurements in these frameworks, it is recommended that when collecting tourism expenditure, expenditure on these high-value goods be identified separately (IRTS 2008, para. 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, those have been acquired for the visitor's own use or to give away. Expenditure on all such goods, whether produced in the country visited or imported, whether intended (like souvenirs and handicrafts) for the tourism market or a more general market, should be included as tourism expenditure.[29]

[29] It should be noted that this reasoning with respect to goods does not apply to services. Hence, an imported service (most often related to transportation) is determined not to be part of tourism expenditure.

Purchase of high unit value consumer durables

4.103. Estimating the purchase of high-unit-value consumer durables on trips (e.g., a car or a high-tech product) poses a few statistical difficulties. Such purchases are relatively rare but involve large expenditures when they do occur (see para. 4.101 above). 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 would thus call for special treatment. It is therefore recommended that they be excluded in general from the estimation of averages with the decision to include them to be made on a case-by-case basis.

B.8. Table of results

4.104. As observed in Chapter III with respect to international comparability, UNWTO collects information annually from countries and territories all over the world. The following data are collected by UNWTO and are disseminated in the *Compendium of Tourism Statistics*, the Organization's most comprehensive general statistical publication.

Table IV.1
Data disseminated by UNWTO in the *Compendium of Tourism Statistics*

Inbound tourism	
Total	US$ millions
Travel	US$ millions
Passenger transport	US$ millions
Expenditure per man purpose of trip	
Total	US$ millions
Personal	US$ millions
Business and professional	US$ millions
Average expenditure per day	US$
Domestic tourism	
Average expenditure per day	US$
Outbound tourism	
Total	US$ millions
Travel	US$ millions
Passenger transport	US$ millions
Expenditure per main purpose of trip	
Total	US$ millions
Personal	US$ millions
Business and professional	US$ millions
Average expenditure per day	US$

4.105. Regarding inbound and outbound tourism expenditure, because some countries still do not compile tourism data, UNWTO uses data as much as possible from the balance of payments rather than tourism data to support international comparisons.[30] Nevertheless, balance-of-payments data, however useful in this regard, 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 those countries' actual inbound and outbound tourism expenditure data.

[30] The source is IMF balance of payments statistics.

4.106. It is understood that the usefulness of balance-of-payments data for national policy purposes is limited: they provide merely an approximation for tourism expenditure (see IRTS 2008, chap. 8, sect. B) and are not sufficiently detailed. A decrease in total tourism expenditure expressed in United States dollars, for instance, could be attributed to different causes, including a depreciation of the United States 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. This might be different from the balance-of-payments data and not fully reconcilable.

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 para. 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)
- 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. The concept of tourism consumption in particular, but also tourism expenditure, is closely related to the national accounts concept of "final consumption expenditure" (see Annex II). This relationship affects a number of specific transactions, whose treatment needs to be explained through the principles of the national accounts:

- Betting and gambling
- Non-life insurance
- Durable goods to be used on a trip and resold at its termination
- Duty-free shopping by passengers in transit within 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 be made according to principles of the national accounts.

4.111. For the purposes of national accounts:

> 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 (2008 SNA, para. 8.136).

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, which will permit the ratio of winnings to the amounts bet to be determined.

4.114. This ratio, expressed as a percentage, could be applied as a proxy to the net bet amount, 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 on their trips, some travellers purchase travel insurance for protection against all types of loss and damage during their journey. Such insurance often covers, inter alia, the loss of luggage, passports or credit cards, missed connections between different means of transport, accidents and illness.

4.116. In national accounts (see 2008 SNA, paras. 6.177 and 6.184-6.191), 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 of the non-life insurance companies concerned in the national accounts of the country where the policy was issued is it possible to determine 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 worthwhile only 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. Transactions involving 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 para. 4.98).

C.4. Duty-free and non-duty-free shopping by passengers in transit within international zones of airports

4.118. As explained in Chapter II, passengers in international transit who do not enter the economic or legal territory of the country of reference, as is the case 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

The present chapter commences with 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 examined in section B. Section C discusses the classifications of productive activities applied in describing supply. Section D focuses on the reconciliation between tourism demand and tourism supply, which permits information from different sources to be compared. Classifications of tourism-related occupations are considered in section E. The last section considers the need to link international classifications to each country's specific classifications as well as its 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, chapter 5 of IRTS 2008, will be briefly discussed and their scope will be somewhat extended. Some practical guidance on how to implement those classifications will also be provided.

5.2. The concepts, definitions and classifications in IRTS 2008 are designed to be consistent with those used in TSA: RMF 2008, which have been harmonized in turn with those in the System of National Accounts (2008 SNA), the *Balance of Payments and International Investment Position Manual*, Sixth Edition (BPM6) and the *Manual on Statistics of International Trade in Services 2010* (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 United Nations, namely:

a) The classification of all kinds of goods and services, the so-called Classification of Individual Consumption According to Purpose (COICOP), which is used for the description of tourism demand;

b) The Central Product Classification (CPC), Ver.2, which is used for the comparison of products produced by tourism industries and acquired by visitors;

c) The classification of productive activities according to the International Standard Industrial Classification of all Economic Activities (ISIC), Rev.4, which is used for the supply of goods and services to visitors;

d) The classification of occupations according to the International Standard Classification of Occupations (ISCO-08), which is used for employment. Chapter VII includes further information on tourism-specific occupations.

B. Demand-side classifications

B.1. Classification of products from a demand perspective

5.4. As already mentioned (see paras. 4.48-4.49 above and IRTS 2008, chap. 4, sect. D), from a practical perspective, it cannot be expected that visitors participating in a survey, who are presented with a long list of products classified by physical qualities and industrial origin, such as those based on CPC, will be able to choose among them. Visitors are more likely to understand a classification of expenditure according to purpose or activities, inter alia, accommodation, transport and food. For instance, transportation expenditure from a purpose perspective might include public transportation and taxi fares as well as car rental, tolls, gasoline, small repairs and spare parts. Each of these elements belongs to a different CPC category. In addition, visitors will probably classify trips according to "tourism products", which 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 respect of observing tourism expenditure through surveys of individuals (IRTS 2008, para. 3.41), IRTS 2008 recommends consistency with the COICOP classification and use of the following categories (para. 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 maintain a type of categorization that is familiar to most visitors. They do not focus on the specific nature of a good or service but rather on the need to which it responds, the only exception being "package travel, package holiday and package tours", which is discussed directly below. 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 classification comprises class: "11.1.1—Restaurants, cafés and the like" in group "11.1—Catering services" and all nine classes ("bread and cereals", "meat", "fish and seafood", "milk, cheese and eggs", "oils and fats", "fruit", "vegetable", "sugar, jam, honey, chocolate and confectionery" and "food products n.e.c") 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 and food) (see paras 4.34-4.41 and 4.74 for more information on package tours).

5.9. A special issue arises when international visitors are surveyed because, often, the balance-of-payments classifications would also need to be considered (as when the survey needs to provide information for both tourism statistics and the balance of payments). As already mentioned (see para. 4.44), various differences still exist between the classification recommended in the observation of tourism expenditure[31] and the breakdown suggested as a memorandum item for BPM6 (see appendix 9 of BPM6, entitled "Standard components and selected other items", and IRTS 2008, paras. 8.22-8.25). The breakdown is as follows:

[31] See chap. 4, sect. B.3.1, on the proposed set of question for the expenditure module of a border survey.

Goods;
Local transport services;
Accommodation services;
Food-serving services;
Other services: Health services;
Education services.

Some insights related to measurement of the "travel" and "passenger transportation" balance-of-payments items are provided below.

5.10. As explicitly mentioned in IRTS 2008, para. 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 para. 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 for both tourism analysis and balance-of-payments compilation will need to obtain information about those services through the inclusion of a distinct question in the questionnaire. Additional information will need to be collected from providers of education and health services and from the institutions financing the acquisition of such services, such as universities and social insurance systems, in order to cross-check that information, since in many cases there will be too few observations (in the survey of visitors) to prevent large sampling errors.

5.15. It should be recalled finally that the balance-of-payments "travel" item is closer conceptually to "tourism consumption" than to "tourism expenditure", as it

also includes imputed values that are excluded from tourism expenditure (see para. 4.3 and IRTS 2008, paras. 8.10-8.25).

5.16. When compilers reach the stage—usually prior to developing a TSA—of checking coherence and consistency between sources on demand and those on supply, 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 (e.g., of residence and of destination), 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 and education (see chap. II, sect. C.2 and IRTS 2008, paras. 3.6-3.8). In particular:

- Country of residence and of nationality should be determined for inbound and outbound tourism, using the United Nations 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 para. 2.9 and IRTS 2008, chap. 2, sect. B.3.). Countries are nonetheless encouraged to develop significant groupings to enable the meaningful observation of visitors arranged according to each of these criteria, through use of a sample survey of reasonable size.
- Forms of tourism should be determined according to IRTS 2008, paras. 2.39 and 2.40.
- Visitors and other travellers should be separately categorized for inbound and outbound tourism (see IRTS 2008, figure 2.2).
- Characteristics of the visitor. International standards of ILO and the United Nations Educational, Scientific and Cultural Organization (UNESCO) should be used, as adjusted by countries (see chap. II, sect. C.2, and IRTS 2008, paras. 3.6-3.8).

5.18. Other classifications are specific to tourism analysis (see chap. II, sect. C, and IRTS 2008, paras. 3.9-3.38) and encompass 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, say, 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 (see chap. II, sect. C.1.3), average expenditure is usually measured in terms of average expenditure per day.
- **Main purpose of trip.** Six main categories have been identified (see chap. II, sect. C.1.1, and IRTS 2008, figure 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, paras. 2.35-2.38). 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 them. 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 chap. II, sect. 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 para. 5.30 and chap. II, sect. C.1.6). It is important that classifications of market accommodation providers identify the main categories properly without mixing market and non-market providers. 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 which may or may not involve a production process (see Chapter VI), 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., they might stay in their car or boat, sleep on a bench or pitch 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, para. 2.13).

C. Supply-side classifications: list of tourism characteristic products and activities

5.20. Tourism characteristic products are defined in paragraph 5.10 of IRTS 2008. Tourism characteristic products comprise two subcategories *(a)* internationally comparable tourism characteristic products and *(b)* country-specific tourism characteristic products (see IRTS 2008, para. 5.16 and 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 2008, annex 4 and figure 5.1.

5.22. Annex 3 of IRTS 2008, entitled "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 this regard, 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 will be explained in more detail below (see para. 5.34), 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 so as to prevent an overrepresentation of transportation activities within tourism industries in terms of gross domestic product (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 (e.g., hostels, bed and breakfasts and guest houses), which signify very different realities from country to country, but of clearly identified characteristics associated with the provided 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 among rooms, suites and apartments), specific conditions of the rooms and general structure of the building, types of services available (e.g., daily housekeeping, food serving, access to a swimming pool and access to a golf course) 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 the products they deliver.

5.26. Additionally, in order to enable an understanding of the structure of visitor expenditures, it might be useful to differentiate as subproducts 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 of tourism demand with 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 adapted to a certain extent to accommodate balance-of-payments needs as well.

5.28. However, the attempt to set up a System of Tourism Statistics (STS) and reconcile the tourism supply and demand perspectives requires that information be obtained on both, using in a unique classification, which permits information from different sources to be compared and 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. CPC is used in all macroeconomic frameworks covering the production, supply and use of products in an economy. It is also referred to by all countries in setting up their national accounts.

5.30. IRTS 2008 proposes the use of tourism statistics classifications that are directly derived from CPC Ver.2 for classifying products (goods and services) and from the ISIC, Rev.4 for classifying productive activities, so as to enable international comparisons among countries.

5.31. These tourism statistics classifications provide groupings of products and activities, based, respectively, on CPC Ver.2 and ISIC, Rev.4, so as to (a) best reflect the importance of specific products and activities for the analysis of tourism expenditure and also(b) present the categories of the major providers of these products (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, para. 4.4, the detailed international comparability of tourism expenditure and supply will be limited to tourism characteristic products and related activities (IRTS 2008, para. 5.9). Tourism characteristic products are those that satisfy one or both of the following criteria (IRTS 2008, para. 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. Annex 2 of IRTS 2008, entitled "List of consumption products grouped by purpose, according to their categorization as internationally comparable tourism characteristic products", covers products potentially belonging to these categories (enumerated in para. 5.6 above), according to the classification of demand by purpose. The aim of this list is twofold:

a) To identify those products that should be considered for international comparability purposes;

b) To pinpoint other products grouped under the same COICOP functions that might be considered relevant for analysis by some countries. It should be mentioned that the list of "other 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 "accommodation services" classification encompassed, beyond those items traditionally regarded as such, 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 timeshare property (CPC division 72). These items include:

72111 Rental or leasing services involving own or leased residential property

72123 Trade services of timeshare properties

72211 Residential property management services on a fee or contract basis except of timeshare ownership properties

72221 Residential building sales on a fee or contract basis, except of timeshare ownership properties

72223 Sale of timeshare properties on a fee or contract basis

85521 Reservation services for accommodation

85522 Timeshare exchange services

5.35. Both TSA and tourism statistics distinguish the production of accommodation services on own account principally associated with the ownership of vacation homes, even though these services are not considered to be within the scope of CPC Ver.2.

5.36. As mentioned in IRTS 2008, (paras. 5.37-5.43), 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 must determine which consumption goods and valuables qualify as tourism characteristic products to be recorded as country-specific tourism characteristic goods.

5.37. There are two categories of goods that might be relevant in some countries but that are not identified as such in CPC Ver.2 (countries would need to identify them it they are included as tourism characteristic products), namely:

- **Valuables** (IRTS 2008, paras. 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 that are held as stores of value over time. They comprise, inter alia, precious metals and stones, jewellery and works of art. 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, para. 5.38), defined as goods produced following traditional techniques which 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 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. It should be noted that the 12 categories of tourism characteristics consumption products (see IRTS 2008, figure 5.1) are also those used in the TSA tables. While categories 1 through 10 are used for international comparability purposes and are thus standardized, categories 11 and 12 need to be defined and developed by individual countries. Countries having identified products in those categories should enumerate the corresponding CPC Ver.2 categories, to enable possible comparisons with the classifications of other countries.

E. Employment: classification of occupations

5.39. Following the endorsement in March 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 was proposed. Application of thematic views is a standard alternative means of aggregating occupational data classified at the four-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, a themathic view 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 the thematic groupings. Others include agriculture, construction, education, health and information and communications technology.

5.41. In order that the concept of "tourism occupations", may be defined 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, identify the occupations and measure the numbers and characteristics of those employed in those occupations;

b) To identify and measure skill shortages and training requirements which need to be addressed to facilitate the development of tourism.

Users of data based on tourism occupations, e.g., on the number of employed persons, should be aware that the information is debatable when these occupations serve both tourists and non-tourists.

5.42. An issue that remains to be discussed is whether all or only a subset of the identified occupations are of interest.

5.43. As regards the availability of internationally comparable statistics on tourism-related occupations which could become available in the medium term, ILO and UNWTO understand that creating a predefined grouping of occupations for tourism is not a straightforward task. 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 were available (see also Chapter VII).

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 previous years and other countries.

5.45. The level of disaggregation of the international classifications for tourism as set forth in this chapter corresponds to classes (four digits) in ISIC, Rev.4 and subclasses (five digits) in CPC Ver.2 that do in fact 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 as displayed in (IRTS 2008, figure 5.1), should then be identified.

5.47. Also, as mentioned in paragraph 5.26, it might be useful, in identifying products under "accommodation for visitors", to differentiate as subproducts the various "packages" offered by accommodation providers.

5.48. The codification of such products as are of particular interest to a country should not alter the international CPC subclass code to be disaggregated. Rather it should result in its expansion through the addition of a digit (i.e., a sixth or even a seventh digit). This would prevent a situation where the same code designated different contents at the national and international levels.

5.49. Each country should provide an explanatory note on the scope (definition and description) of the products of national interest included in the national classification.

5.50. There should then be an identification of country-specific tourism-connected consumption products, which distinguishes 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, para. 5.11).

5.52. However, each of a given accommodation establishment's services (e.g., rooms with daily housekeeping services, bungalows without such services and time-share management) 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 (four-digit) of specific interest:

Table V.1
Further disaggregation of accommodation activities

ISIC, Rev. 4		National classification	
5510	Short-term accommodation activities	5511	Hotels and similar
		5512	Resort 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 illustrate how its national classification of tourism characteristic or connected products relates to (see Box V.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 TSA: RMF 2008).

5.55. A country should prepare similar tables showing how its national classification of tourism characteristic activities relates to (see Box V.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") and those that are not consumed ("non-consumption products"), will be grouped in one or more categories (if of interest) and presented globally in the tables so that they correspond to the values of macroeconomic aggregates presented elsewhere in the National Statistical System (national accounts, for instance).

Box V.1
Correspondence tables for classification systems

There are a number of so-called correspondence tables available (illustrating the correspondence between various classifications systems) which can support countries in drawing up the aforementioned relational tables. The organizations producing then include:

- United Nations Statistics Division (Correspondence tables)
- Eurostat (Correspondence tables)
- United States Census Bureau (Concordances)

Box V.2
Correspondence table: example of Brazil

The table below presents the correspondences between the classes of the characteristics of tourism activities and the classes of Brazil's Industry Classification (Classificação Nacional de Atividades Econômicas (CNAE)), versions 1.0 and 2.0.

Description	CNAE 1.0 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	(a) 62.10+(1) 62.20	51.11+51.12
Boat transport and auxiliary transport services	(a) 61.11+(1) 61.12+61.21+63.21+63.23	(a) 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
Vehicle 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

(a) Partially related to tourism typical industries.

Source: Brazil, Institute of Geography and Statistics (IBGE), Survey Directory, National Accounts Coordination (2012)

Chapter 6

Measuring the supply of tourism industries

The present chapter is structured as follows: The first section introduces the particular nature and relative novelty of measuring tourism from the supply perspective and includes a discussion of tourism-relevant statistical units, sources and proposed tables of results, all of which are rooted in industry statistics and national accounts. This is succeeded by an in-depth consideration of some of the main tourism industries with a particular focus on the accommodation service providers (sect. B), providers of food and beverage services (sect. C), providers of transport services (sect. D) and travel and reservation agencies (sect. E). Other industries that are not considered tourism characteristic per se but which may nevertheless be highly relevant for tourism, like the handicrafts production and trade of and meetings industries, are examined in the concluding section.

A. Introduction

6.1. Tourism is classified as an economic activity that is determined principally by demand (IRTS 2008, para. 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 pinpointed or described. Indeed, one of the major contributions of IRTS 2008 is its description of tourism from not only the demand side (encompassing visitors) but also the supply side (encompassing the industries that cater to visitors), which thereby acknowledges the status of tourism as an economic sector.

6.2. Further, the proper integration of the analysis of tourism into that of the total economy requires that what is measured on the supply side be consistent with that measured on the demand side. Although the specific goal of ensuring the overall coherence and consistency of the data is often pursued only when a TSA is being set up, countries are encouraged for a number of reasons to work on ensuring data consistency as part of their development of tourism statistics (see also chap. VIII, sect. A). Such consistency enables comparison not only of data over time but also of data between countries.

6.3. Tourism statistics have traditionally focused on the demand side and on physical data and indicators. IRTS 2008 has brought a new perspective to bear on supply. Within the framework of the IRTS 2008:

- 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 (see IRTS 2008, paras. 6.7-6.13; and Box VI.1 and Box VI.2).
- The relevance of administrative and business records for the development of a national System of Tourism Statistics (STS), particularly in developed countries, is underscored. For more detail on available sources, see section A.2 below.

6.4. Tourism statisticians should be aware of an issue that bears on the credibility of the tourism industries' basic data and indicators (see sect. A.3, entitle "Tables of results" (paras. 6.21-6.23)), and about which users should be warned by National Tourism Administrations (NTAs), National Statistical Offices (NSOs) and other government agencies that publish tourism data, namely, that only part of the output of each tourism industry is attributable to visitors' consumption. This issue is explicitly identified and treated in the TSA through the application of "tourism shares" (or "tourism ratios") to total output (see TSA: RMF 2008, paras. 4.50-4.55).

6.5. It should also be recalled that visitors acquire or use goods and services that are not tourism-specific (e.g., newspapers, clothes, medical care,[32] cleaning and hairdressing); hence tourism characteristic activities do not cover all possible acquisitions by visitors (see IRTS 2008, para. 4.4).

[32] Medical care might be a tourism-specific product in some destinations.

Box VI.1
Enterprises, establishments and industries in the context of the 2008 SNA

According to the 2008 SNA

The majority of enterprises by number 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: 2008 SNA, para. 5.2.

6.6. Directly below, some of the issues are discussed that are related to the industry data (including those of tourism characteristic industries) that are collected—usually by NSOs—for national accounts (and TSA) purposes. However, for a more detailed explanation of the issues involved in such collection, the relevant publications (such as the *Eurostat-OECD Manual on Business Demography Statistics*) should be consulted. Also, in most countries, the NSO produces explanatory notes setting out the methodology, concepts and definitions involved in their collection of such economic data, which may also be consulted.

6.7. Observation of the tourism industries' productive activities is quite straightforward and follows the general recommendations for the observation of any economic activity.

6.8. When the focus is on supply, it is important that NSO-developed production surveys be used and that NTA officials understand how those 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. As indicated in Box VI.1, "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".

6.10. Establishments are where visitors are actually served, and in this regard, analysis usually encompasses 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 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, for example—will each receive different categories of customer and be subject to different types of seasonality.

Box VI.2
Economic activities and statistical units

Establishment

As a 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 that is not controlled either directly or indirectly by any other legal unit.

Kind-of-activity unit

This 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. The kind-of-activity unit (KAU) groups all the parts of an enterprise contributing to the performance of an activity at the class (four-digit) level of the European Union activity classification statistical classification of Economic Activities in the European Community (NACE) and corresponds to one or more operational subdivisions of the enterprise. Kind-of-activity units are characterized by homogeneity of activity but there is not restriction on the geographical area in which the activity is carried out.

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 that 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.

Establishment

As a 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 that is not controlled either directly or indirectly by any other legal unit.

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 homogeneous production

The local unit of homogeneous production is the part of the unit of homogeneous production that corresponds to a local unit. This is in line with the definition of an establishment, which would have only one homogeneous activity.

Sources: Eurostat and 2008 SNA, glossary.

6.11. In the case of transport (excluding local transport), however, visitors are served by establishments that are not truly relevant, as they consist mainly of ticket offices. However, management is usually centralized and information can be given, if needed, for all origins and destinations, which 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 are usually required for calculating the country's national accounts, for example, gross domestic product and gross value added.

6.13. The surveys are currently well established and have a standardized format, based on *International Standard Industrial Classification of All Economic Activities* (ISIC) categories (e.g., agriculture, mining and manufacturing).

6.14. Census or administrative data used to ensure that the business registers is up to date and support the survey design. 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 pro-

cedure 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 underrepresentation and underestimation of activities and subactivities in cases where small units predominate, which is the case for some tourism industries, especially those engaged in food service, and local land transportation. In some countries, these surveys also tend to concentrate on large, industrial cities, whereas tourism is distributed differently within the economic territory, which 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 various items in the bill that are additional to the product actually purchased (e.g., a headcount, a sales tax or a VAT as a percentage of total consumption, and a proportional compulsory service charge). Visitors may also choose to add tips. All of 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 instead as income received on behalf of others. Taxes and headcounts, 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; tips and service charges, on the other hand, will need to be included, as part of value added and remuneration of employees.

6.17. UNWTO[33] suggested that certain administrative records should also be used for tourism, including information produced by the International Air Transport Association (IATA) on flows of international visitors. Further, 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, inter alia, on income, costs and employment. This was based on the experience of many countries (including Canada, France, the Netherlands, New Zealand, Spain, the United Kingdom or Great Britain and Northern Ireland and the United States of America).

[33] World Tourism Organization (2003a), *New Statistical Initiatives in the Field of Tourism*, available at http://statistics.unwto.org/sites/all/files/docpdf/oecd.pdf (30-05-2014).

6.18. The use of administrative records is particularly important and recommended as a best practice in statistical procedures. Such records can be collected free of charge, and no additional burden is created for respondents, which is a sensitive issue in most countries om the National Statistical System (NSS). Information processed to build the national accounts will be particularly useful, since it has already been subjected to consistency checks and integrated within a supply-and-use framework.

6.19. 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 up on all useful information available from the National Statistical System (NSS). Information processed to build the National Accounts will be particularly useful, since it has 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 are overlooked by traditional observation systems. National accounts compilers need to estimate their activity nonetheless. Sometimes there are options available for collecting data on production in informal enterprises, e.g., a household survey may provide a means of collecting information on production by household enterprises that are not included in

the sampling frames of business registers (see also 2008 SNA, chap. 25, entitled "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 must be paid by clients
- Intermediate consumption
- Value added
- Compensation of employees
- Investments (labelled "gross fixed capital formation")
- Relevant non-monetary indicators which 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 IRTS 2008 and develop a national STS, the data to be obtained should serve both national purposes and the purpose of international comparability. Data useful for national purposes, however, will be much more detailed than those needed for international comparability.

6.23. Regarding international comparability, a data set 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*, the most comprehensive statistical publication of UNWTO (see Table VI.1).

Table VI.1
Example of a table of results four tourism industries

COUNTRY X			
Basic data and indicators		Units	YEAR X
4.	TOURISM INDUSTRIES		
Data			
	Number of establishments		
4.1	Total	('000)	. .
4.2	• Accommodation for visitors	('000)	. .
4.3	* of which, "hotels or similar establishments"	('000)	. .
4.4	• Food and beverage service activities	('000)	. .
4.5	• Passenger transportation	('000)	. .
4.6	• Travel agencies and other reservation services activities	('000)	. .
4.7	• Other tourism activities	('000)	. .
	Accommodation for visitors in hotels or similar establishments		
	Monetary data		
4.8	• Output	US$ Mn	. .
4.9	• Intermediate consumption	US$ Mn	. .
4.10	• Gross added value	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	('000)	. .
4.14	• Number of rooms	('000)	. .
4.15	• Number of bed places	('000)	. .
Indicators			
4.16	Occupancy rate/rooms	Per cent	. .
4.17	Occupancy rate/bed places	Per cent	. .
4.18	Average length of stay	Nights	. .
4.19	Available capacity (bed places per 1,000 inhabitants)	Per cent	. .
	Travel agencies and other reservation services 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	Per cent	. .
4.26	* without package tour	Per cent	. .
	• Inbound trips		
4.27	* with package tour	Per cent	. .
4.28	* without package tour	Per cent	. .
	• Outbound trips		
4.29	* with package tour	Per cent	. .
4.30	* without package tour	Per cent	. .

Abbreviations:
('000): thousands
US$ Mn: millions of US dollars

B. Accommodation services providers

6.24. Accommodation services usually represent a substantial part of total visitor expenditure and are often considered (along with passenger air transport, travel agencies and, to certain degree, souvenir and handicrafts industries) one of the most typical tourism industries. In many countries the only available statistical information on tourism industries pertains to visitor accommodation, 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 per cent) 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 (see sects. B.1.1-B.1.2)
- Non-market providers, which accommodate visitors free of charge (see sects. B.1.3-B.1.4)

The subcategories described in sections B.1.1 and B.1.2 are defined in ISIC terms; the subcategories described in sections B.1.3 and B.1.4 are not. Additionally, the subcategory covered in section B.1.4 ("owner-occupied vacation homes and timeshares") is a TSA concept: its definition requires an understanding of national accounts and their conceptual underpinnings and, in particular, why and how the services provided by fully owned or other types of arrangements such as timeshares, should be measured (see TSA: RMF 2008, chap. 2, sect. 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 represent a particular case (see para. 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 V (see paras. 5.29-5.30), countries will need to establish 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, identifying and measuring the supply of such operators is highly challenging except possibly when conducted through household surveys or population and housing censuses. Traditional housing censuses collect data in the field through a full enumeration conducted in a relatively short period of time. However, as housing censuses are cost- and time-intensive, many countries are moving away from the traditional forms and are adopting an alternative methodology which combines data from registers with data from other sources.

Table VI.2
ISIC division 55: Accommodation

Division	Group	Class	Description
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 (e.g., renting for longer periods of time and renting through a renting intermediary).

Table VI.3
ISIC division 68: Real estate activities

Division	Group	Class	Description
68			Real estate activities
	681	6810	Real estate activities with own or leased properties
	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, inter alia, the dwelling's physical conditions, amenities and location 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 the homes of relatives and friends does not generate output to the economy in the framework of the 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 establishments. For example, the substitution of the service of visitor accommodation with staying with 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. Ownership is in itself sufficient to be considered to entail 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 United Nations Standard classifications (such as ISIC and CPC).

6.36. For this mode, two main categories of accommodation providers should be established: *(a)* providers operating within the formal organized economy; and *(b)* 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" must 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, whose mutual consistency should be checked. The information provided by business registers on the demography and dynamics of establishments can be of interest in and of itself, especially if it includes data on the number of rooms and bed places.

6.39. The coverage of such business registers should be checked, particularly in countries where licensing involves control by the state (or a regional authority) and payment of a specific duty. The updating process should also be verified so as to ensure that sector dynamics are duly reflected.

6.40. In respect of designing the statistical samples, it should be recalled that since tourism activity is often spread throughout a country's territory, regional dynamics may differ, and authorities may be therefore interested in analysing tourism flows by geographical area. This is particularly important for less developed countries, with limited statistical capacity. Such countries tend to concentrate their samples where, in general, most economic and often industrial activity is located, whereas tourism may be concentrated elsewhere, e.g., around specific attractions such as sunny beaches, historic sites and beautiful landscapes, and at a distance from centres of traditional economic activity.

Indicators

6.41. Besides the usual variables (output, value added, employment, consumption and 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. The use of these indicators requires an understanding of two specific 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 as single rooms, depending on demand. However, a suite whose rooms cannot be rented separately is considered to be 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, e.g., a number of bedrooms, a lounge or dining room and a separate bathroom.

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 Saudi Arabia, for instance, arrangements might be made with apartment owners if hotels are overbooked during the hajj.

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 there being 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 is assumed here or, alternatively, on a quarterly, annual or other periodical basis if the country so prefers—the indicators listed above are defined as follows:

Room occupancy rate. This is an indicator of how many rooms have been sold during the month expressed 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 per cent. If only half have been sold, the rate is 50 per cent. A "gross" room occupancy rate takes into account all existing rooms declared, whereas a "net" rate takes into account only the rooms on offer. While the net rate is highly useful in evaluating 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 indicator 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 that month. In other words, it is the ratio of the actual bed nights sold to the total supply of bed nights (either the number of existing beds or the number of beds on offer). This indicator is similar to the room occu-

pancy 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.[34] 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 number of bed places actually sold relative to the number of bed places existing (gross) or on offer (net).

[34] There is no positive or negative value judgement involved here. Hotels decide how to "sell" rooms (single or double) based on demand, consumer behaviour and market and price expectations.

Average number of persons per room. This indicator represents the ration of the total number of guests staying in the establishment to the number of rooms available, aggregated over every night of the reference period. For this indicator, a figure of one means that on average each of an establishment's rooms is occupied by one person. A figure of two means that, on average each room is occupied by two persons. Business hotels, which tend to cater more to solo travellers, usually report a lower figure than do holiday hotels which cater more to 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 and telephones, for instance. Other income, however, is not room-related but normally should still be included in the calculation: e.g., restaurant expenditures by other customers not occupying rooms, expenditure related to conference centre activities and the leasing of space to shops on the premises. The 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.

Average revenue per guest night. Calculation of this indicator is similar to that for average revenue per room night: 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 may 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 indicator is of interest to hotel owners, operators, developers and investors. A similar alternative indicator can be calculated by dividing total revenue from all activities—namely, core activity plus, e.g., restaurant and spa activity—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. Such calculation also applies to the indicators for average wage per employee and revenue per employee.

Box VI.3
Domestic tourism data from accommodation establishments: example of the Philippines

With technical assistance from the Japan International Cooperation Agency (JICA), the Department of Tourism of the Philippines has set up a system for local tourism statistics based on data collected from accommodation establishments. The system measures the number of overnight visitors using commercial accommodation, as reported by local government units (LGUs), with a breakdown of residents of the Philippines and non-residents by country of residence. It also provides information on the occupancy rate and the 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.

Through the implementation of 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 Department of Tourism to embark on a capacity-building programme for LGUs designed to foster a better understanding of local tourism statistics as a tool for planning, product development, investment and marketing.

The data collected from accommodation pertain to tourism demand and supply. Information is generated on, e.g., number of accommodation establishments, number of rooms, number of rooms occupied, number of employees, volume of guests, guest nights and occupancy rate.

Further information is available from Philippines, Department of Tourism, and Japan International Cooperation Agency, *Tourism Statistics Manual for Local Government Units* (Manila, 2007); and Philippines, Department of Tourism, and Japan International Cooperation Agency, "Tourism development planning guidebook for local governments units" (Manila, 2012).

Source: Philippines, Department of Tourism.

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 that they have not been included previously within the value of production, value added and remuneration of employees).

Revenue per employee. This is an indicator useful for comparison with "average wage per employee", which provides insight as regards earnings in the sector for application within 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 that 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, with the results grossed up to the total universe by categories of establishment. There should be alertness during the grossing up process, to the possibility of biases being 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., that a full census such establishments be taken).

6.45. The same indicators as described above can be compiled for enterprises. The caveats are also the same. The geographical dimension is usually lost when the

statistical unit is the enterprise. On the other hand, enterprise data are useful for comparing the performance of hotel chains. In addition, indicators on establishments are usually producible on short notice and can be used to satisfy short-term information needs. Indicators on enterprises (based mostly on annual surveys) reveal more of the structural changes in the industry.

Frequency

6.46. As previously noted, countries might be interested in monitoring the activity of accommodation establishments less frequently. They might prefer an annual or quarterly reference period, for instance, rather than the monthly period assumed above. However, as discussed earlier, tourism is usually a highly seasonal activity, so data aggregated over a relatively long reference period may not be as useful as data covering a shorter (e.g., monthly) reference period.

6.47. 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 that the economic performance and share of the country's overall production activity may be properly measured. However, it is recommended that the non-monetary data be broken down by month or quarter in the annual questionnaire. On the other hand, when it is a question of obtaining more accurate monetary data, an annual accommodation survey should be conducted using enterprises, but non-monetary data should be derived from establishments (local units).

6.48. If the survey is conducted on a quarterly or monthly basis, the questionnaire should be much more focused and limited to a few variables, such as those mentioned above, which might also be useful to the establishments themselves for their own management. Helping establishments develop these indicators and providing them with feedback on the performance of other establishments in their category or region (guided of course by the constraints imposed by confidentiality) might even be a viable means of encouraging their participation.

6.49. 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, 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 through visitor or household surveys (see chap. III, sects. 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

6.50. As mentioned above, there are various means of measuring the activity of market accommodation providers that fall beneath the capacity threshold for inclusion of their accommodation activity in the stated coverage, through either a licensing procedure whose scope extends to informal or occasional providers, or an organization representing all or a relevant proportion of providers (e.g., an accommodation industry association). On the other hand, there may be no such organization.

6.51. 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 regard to 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 those organizations might be in a position to provide relevant aggregated information collected from their members.

Table VI.4
Summary of data on hotels, motels and serviced apartments, 2012 and 2013: example of Australia

	Establish-ments (no.)	Rooms (no.)	Bed spaces (no.)	Persons employed (no.)	Room nights occupied ('000)	Room occupancy rate (Per cent)	Guest nights occupied ('000)	Bed occupancy rate (Per cent)	Guest Arrivals ('000)	Average length of stay (days)	Takings from accommodation ($'000)	Average takings per room night occupied ($)	Average takings per room night available ($)
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 March 2012	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 March 2013	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 March 2012	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 March 2013	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 March 2012	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 March 2013	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 March 2012	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 March 2013	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

6.52. If an effective licensing scheme or organizational system does not exist, or in cases where operators function outside such schemes, it will be extremely difficult to identify their existence and measure their supply, with a solution being possible only through household surveys or population and housing censuses, (see also para. 6.28). If a survey is used then, its coverage needs to be wide enough to enable statistically significant measurements to be obtained; one approach 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 cover only 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"

6.53. Market accommodation services classified under "Real estate activities" (ISIC division 68), encompass different types of products and providers, including rental by visitors, on a long-term basis of homes near tourism sites, for use only on a short-term basis.

6.54. Further, owners of homes in places of interest to visitors (e.g., the seaside, mountains and fashionable locations) can use intermediaries to rent out their property. On the other hand, some act on their own behalf through 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

6.55. As explained previously (see paras. 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 by using a household survey in which overnights spent in the home by visitors and exchanged overnights are measured.

6.56. This implies that specific surveys of resident households designed to measure their tourism activity as visitors (as noted in Chapter III and Chapter IV) should also aim at collecting information on their activity as providers of for-profit services (home-stay programmes, 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 VI.4

Estimating the importance of staying with family and friends: example 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 the first semester of 2009, stays with family and friends represented 58 per cent of all non-resident guest accommodation and more than 80 per cent of all non-resident overnights. A household survey has been proposed to also measure the incidence of same-day trips taken by residents and the provision of services to non-resident households. A pilot for such a survey was conducted in 2009.

Source: Romania, National Institute of Statistics and National Institute of Research Development in Tourism.

B.2.4. Providers of non-market accommodation services for own final use: owner-occupied vacation homes and timeshares

6.57. 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 to represent the value of the service, that value being an estimation of a tourism product. Such a task is the responsibility of national accountants when they are developing a TSA. The United Nations publication providing recommendations for housing censuses indicates how countries should identify dwellings not intended for year-round occupancy (see Box VI.5).

Box VI.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 homea, 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, for example, when agricultural households move during certain seasons of the year from their permanent living quarters into 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 (2008c).

6.58. 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 VI.6
Vacant units: example of Australia

The subject of vacant units constitutes 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 normally falls on a Wednesday) the population is much smaller. When funding is based on population, such centres remain short on the infrastructure needed to accommodate the influx of the tourist population.

Source: Australian Bureau of Statistics.

6.59. 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 the 2008 SNA. 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 VI.7
Estimation of rents in vacation homes

In national accounts, the historical conventional method for estimating services produced by owner-occupied dwellings has been self-assessment, where owners are asked to estimate a potential rent for their property. The major problem associated with the self-assessment method lies in the largely subjective nature of the estimate, which leads to substantial uncertainties owing to over- or underestimates, depending on the precise circumstances. For that reason, and, given the high proportion 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. Application of the broad underlying principle entails imputing to a given owner-occupied property a rental value, which is the same as the rental amount 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
- Information about actual rentals paid in each stratum

A stratification of the housing stock is required in order for a reliable estimate to be obtained and for including properly relative price differentials to be included. Subsequently, the average actual rental per stratum is applied to all dwellings in the particular stratum.

Source: World Tourism Organization (2010b).

6.60. Timeshare constitutes 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) every year repeatedly (or according to another established frequency) over a particular (10, 20 or more) or infinite number of years. This right can be conferred by a deed or by any other type of contract, in which case the contract most often does not grant ownership over a physical asset.

6.61. The term "timeshare" covers a continuum of arrangements, ranging from an early prepayment of future holidays to real estate investment arrangements that vary from country to country and are highly dependent on the existing legal and tax setting.

6.62. Schematically, one may say that there are three major types of arrangements: *(a)* deeded ownership, *(b)* the "right to use" type of ownership and *(c)* the membership system, subject to roughly the same conditions: an initial payment, and annual fees, including *(a)* annual management fees, *(b)* annual maintenance fees, *(c)* property taxes, *(d)* insurance and *(e)* occasional fees (special assessments) for major repairs and property refurbishment.

6.63. The number of timeshare units can be established more easily than that of vacation homes. This is because the specialized entities that are usually in charge of managing such rentals are thus able to report on the number of paid-for units which were actually rented.

Box VI.8
Estimation of timeshare and vacation homes services: example of Egypt

Two surveys were conducted with the assistance of the timeshare department of Egypt's Ministry of Tourism: 1) touristic villages with timeshare units, which explored the average imputed rent value and occupancy days, and 2) a sample of timeshare companies to obtain information on the annual fees paid by beneficiaries for the use of facilities such as linen and cleaning services.

As for vacation homes and furnished rented apartments, through the conduct of the Central Agency for Public Mobilization and Statistics (CAPMAS) survey of income, expenditure and consumption of households, was used to calculate the number of each kind of unit, the time of usage and the average rent could be calculated.

Source: Ministry of Tourism of Egypt (2011).

C. Providers of food and beverage services

6.64. Food and beverages can constitute 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 particularly overnight visitors, often regard consumption of food and/or beverages as an important dimension of their stay.

6.65. In ISIC, the supply of food and beverages is included in classes 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 regard to the supply of food and/or beverages. An important example comprises hotels and similar providers of accommodation services, for which the supply of food and beverages can be a very important, albeit secondary, activity. Surveys of accommodation (and other relevant) establishments need to identify the economic activity of those businesses related to the supply of food and beverages. Such information is important in the production of a TSA.

6.66. It is also important to note that some providers of food or beverage services are not included in the aforementioned ISIC categories, including canteens in factories, which would be unlikely to serve meals to visitors, and supermarkets selling ready-made meals, which might still offer meals to visitors. Clearly, wholesaler suppliers of meals would also not be included, since they are not direct providers to visitors.

6.67. The provision of food and beverages by family or friends in a private home or elsewhere (e.g., on a picnic) would also be excluded from any economic analysis of food and beverage services.

6.68. There is no international standard classification of food and beverage providers. Countries may wish to develop their own classification system appropriate to the types of their food and beverage providers. For example, in some countries, small street stalls or tea houses are very important providers of food and beverages, whereas in other countries, they may not be important or may not even exist.

6.69. Surveys designed to collect data on formal food and beverage providers, such as restaurants, bars and hotels, can be based on business registers, usually maintained by NSOs, possibly combined with lists of members of industry associations or of licensing authorities. The more informal providers of food and beverages, such as families operating small street stalls, can present more difficult challenges in terms of identifying and obtaining data from them. However, in countries where they constitute a significant presence, it is highly important that all potential sources—public and private—should be investigated. On the other hand, the quality of the data obtained from these more informal businesses, once identified and interviewed, can be questionable. In some cases, the business operators may not in fact have good-quality data and in others may be reluctant to provide data to a government agency, possibly from fear of taxation. As a last resort, it may be necessary to simply estimate the value of the food and beverages provided by these providers, using estimates of the numbers of such providers, the value of sales and the proportion of their customers who are visitors.

6.70. An important consideration with respect to such providers is whether their activity is to be regarded as belonging to the retail trade industry or to food and beverage serving industry. This could be determined on the basis of whether the food served has been prepared by the business that sells it, in which case the provider belongs to the food and beverage serving industry. Otherwise, the provider belongs to the retail trade industry.

6.71. The type of data that are required are those normally collected for all industries for national accounts (including TSA) purposes, usually by the NSO. This has been noted in paragraph 6.6 above and will not be discussed further here. However, in some countries, extra activity data, similar to those collected for accommodation establishments, may be required.

6.72. IRTS 2008 (para. 6.40) suggests that the following non-monetary indicators associated with formal and organized types of providers may be of interest:

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 takeout establishments

- Number of meals that can be served daily (according to the type of food)
- Number of meals actually served

For bars and nightclubs

- Number of customers
- Number of drinks actually served

6.73. Other non-monetary indicators of interest are number of employees, broken down by occupation, and number of establishments, broken down by location and size. Such data may be obtained through the inclusion of extra questions in the normal economic activity surveys or through a separate sample survey of those establishments focusing on these data items only.

6.74. Although food and beverage serving services have been considered internationally comparable tourism characteristic products, it should not be forgotten that in this case, in contrast with that of accommodation services, an important share of the supply is consumed by non-visitors. Additionally, shares might vary enormously by location (e.g., between areas regularly visited and others visited rarely), type of food offered and quality of service.

6.75. In consequence, there must be some type of approximation available of the share of supply of food and beverage services consumed by visitors compared with the total supply.

Box VI.9
Food and beverage services example of Oman

An experiment developed in Oman consisted of requesting organized restaurants and other food and beverage serving providers to devise an approximation of the share of their customers that where non-residents of the area. Duly weighted, these data, as revised and critiqued, provided a first estimation, which did not differ greatly from the final result, based on the comparison of supply and demand.

Source: National Centre for Statistics and Information of Oman (2013).

D. Providers of transport services

6.76. 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 a tourism activity. Most transport activities undertaken by visitors are provided by transport or related businesses but not all. The visitor might travel by their own means or through private transport provided by friends or relatives (e.g., motor car/bicycle, plane or boat). It may even be the uncommon case that the visitor walks to the destination or travels by horse or other non-mechanized means.

6.77. ISIC industries that are relevant to the provision of transport services to visitors are classified under classes: 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"). As other ISIC transport industry categories relate to the transportation of freight, they are not included.

6.78. It is important to make the distinction between transportation to or from a destination, and transportation within a destination. These two types of transportation have very different characteristics and are perceived differently in the context of tourism analysis. 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 providers of this type of transportation are usually—although, increasingly, not always—resident in the reference economy.

6.79. It should be noted that class 4911 ("Passenger rail transport, interurban") includes only long-distance travel. This could entail international or domestic transport, which would normally involve visitors travelling to or from a destination or possibly between destinations. However, the other ISIC categories listed in the previous paragraph 6.75 can encompass long- and short-distance travel, including travel to and from within a destination. Readers are referred to ISIC, Rev.4 for detailed descriptions of the types of transport included within these categories.

6.80. Some forms of transport may be provided as a secondary activity by businesses; however, this is not very common in most countries. A more significant issue is the inclusion of transport in packages and, as often, the main component of some packages. Expenditure surveys of visitors must aim at identifying the transport (and other) components of packages, although this can be difficult and may require estimation or modelling.

6.81. In many countries, transport providers can be relatively small in number, especially in relation to long-distance transport. Most such commercial transport activity is provided by businesses that can be identified readily and easily and that are 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 that within cities, public transport may be dominated by a very large number of small operators. Some operators may operate only one vehicle, and their business may be family-run. In some countries, they are highly regulated and identified with relative ease from official registers for survey purposes. However, in other countries, they may be very poorly regulated and operate within what is 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 those passengers that are visitors.

6.82. A relatively small number of transport providers, airlines, for example, can in some cases create a challenge in terms of the confidentiality of data. Where, for example, there are only two or three providers of air services, the businesses concerned might be reluctant to provide data for fear that publication of the results could permit identification of figures, even in cases where the results were published only in aggregated form. Under such circumstances, it may be necessary to combine the data for different transport modes before publication, e.g., the data for air transport and those for land transport. Obviously, this could reduce the value of the data; however, such an approach may still be necessary.

6.83. The sort of data that are required are the data normally collected for all industries for national accounts (including TSA) purposes, usually by the NSO. As this has been noted in paragraphs 6.6 and 6.70, it will not be discussed further here. However, in some countries, extra activity data similar to those collected for accommodation and food and/or beverage establishments may be required, for example, on numbers of vehicles and capacity utilization, number of passengers carried and numbers of vehicles rented and duration of rental. These data items are described in IRTS 2008 (para. 6.45) as:

- Long-distance public transportation:
  - — Number of vehicles for road transport/aircrafts, vessels, for air and water
  - — Number of available seats

— 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

6.84. The collection of such data may be carried out through inclusion of extra questions in the normal economic activity surveys or through a separate sample survey of those establishments focusing on these data items only.

6.85. As measuring the supply of passenger transport services to visitors requires the specific and separate study of each mode of transport, the different modes are discussed in more detail below.

D.1. Passenger transport by air

6.86. Companies providing air transport are usually relatively large, well organized and the object of specific control by the public authorities. Usually, operation of domestic flights is recorded separately from international operations.

6.87. For tourism statistics a difficulty arises from the fact that airlines often provide both passenger and freight transport. Both operations can 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, completing this task will be necessary if an additional objective of the statistical analysis is to give a good approximation of the measurement of the value added of the tourism industry.

6.88. Passenger air transport might also be provided to the public by units belonging to other industry sectors, although this usually applies to charter flights. For instance, tour operators might operate their own charter fleet within the same company. When information is being collected, they should be included, since they serve visitors exclusively.

6.89. Large private companies might also own their own fleet of private airplanes, which could be used by their executives for tourism trips. Similar to what has been suggested for accommodation, in such cases, a tourism expenditure should be imputed.

6.90. As was pointed out in the description 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 it will therefore be necessary for this to be estimated using supply-side information (see paras. 4.25-4.32).

6.91. As has been noted previously, this is not only a tourism statistics issue. Exactly the same treatment is required 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 discussion in this regard should be held among the different compilation teams.

6.92. Individual airlines 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 exercised

in order to ensure that passenger transfers are given proper consideration. This is particularly important for airports that operate as hubs, as passengers may arrive at such airports on a domestic or an international flight but may in fact be in transit towards a final destination, either in another country, or in another place within the country.

D.2. Passenger transport by rail (except sightseeing)

6.93. Passenger transport by rail exhibits a few characteristics similar to those of passenger transport by air. Service is frequently provided by a single company or by a very small number of companies which 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 it will be necessary, whenever possible, to separate long-distance rail transport, in which movements within the usual environment are not so frequent, from short-distance or suburban rail transport whose, main function is serving commuters.

6.94. Regarding international transport, it is also common for transnational companies to operate between different countries. In these cases, the balance-of-payments recommendations should be applied, again, through a process of collaboration with balance-of-payments and national accounts compilers.

6.95. As railway companies often undertake market studies of their customers using sample surveys, some form of collaboration with them might be useful so that the relative importance of commuting and frequent customers may be identified and some form of tourism share, either globally, or better, on specific segments of the network may be established.

6.96. Non-monetary indicators might include the number of passengers transported between domestic destinations, as well as the number of passenger-kilometres. For international destinations and origins, the same type of information can also be generated.

D.3. Passenger transport by water (except sightseeing)

6.97. Local circumstances will strongly influence the way in which passenger transport by water is provided. Providers can range from large, well-organized companies offering ferry services between countries or places, on the sea, rivers or lakes to small, informal forms of transport offered by individuals, usually over short distances. This might also encompass transportation where the travel itself is the purpose of the trip, as in the case of yachting and cruising, which might also occur on rivers, lakes or the sea, within the national territory or on an international circuit.

6.98. In the case of large, well-organized companies dedicated exclusively to transport from one port to another (but 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 for information to be included on vehicles being transported. For example, in the case of vehicles used by visitors, the expenditure on ferries, including on the transportation of the vehicle, should be included in tourism expenditure.

6.99. In such cases, the calculation of tourism shares might be of interest. The aforementioned companies might enable these to be estimated through the provision of the relevant information.

6.100. With respect to cruise lines, whether the services are provided within the boundaries of the country of reference or outside is not an issue of major significance. The

service provided constitutes not a transportation service per se, but rather a combination of services, i.e., a "package" of different products, including transportation, accommodation, food and beverage serving services and recreation. Transportation could be viewed as important, since cruise passengers might make stops in interesting places for special visits; however, there can be no special income associated with that product, as it cannot be separated from the other products with which it has been combined.

6.101. 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. Further, the use of moorings at established ports will usually generate a service as well. When such activities are important, countries should study the types of expenditures associated with this type of transport separately.

6.102. In many countries where important water transport activities are carried out on rivers, lakes or the sea and these are handled by many very small providing units, some of those units will be specifically dedicated to transporting visitors and others to the transport of local people for their day-to-day activities. The measurement of such activities would best be carried out at local level. In each case, and depending on whether some type of organization of those 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, annual figures are estimated before the possible seasonality of their activity should be carefully considered. It might be the case that such units of production have not been considered tourism characteristic owing to their limited importance. However, after their relative importance has been studied, it might be necessary for the list of country-specific tourism characteristic activities, to be reviewed, with a view to possibly including those units in that list.

D.4. Passenger land transportation (excluding rail and sightseeing)

6.103. 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

6.104. Usually, only long-distance passenger land transportation will be regarded as internationally comparable tourism characteristic. Nevertheless, other passenger land transportation activities directed towards visitors, while not internationally comparable, could still be important locally, and might therefore need to be described in more detail.

6.105. Scheduled and non-scheduled long-distance land transportation will usually be provided by organized companies, which should be able to supply (subject to compliance with confidentiality requirements) detailed information on output, number of persons transported and costs of production (including employment and capital investment).

6.106. 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 seasonal workers or other types of short-term workers.

6.107. Again, the treatment given to transportation provided on international routes should follow the recommendations of the balance of payments, and calcula-

tions should be carried out in coordination with the balance-of-payments compilation teams, in order that production may be assigned to inbound, outbound or domestic tourism expenditure.

D.5. Vehicle rental without operator

6.108. Vehicle rental without operator includes small cars, but it might also cover, e.g., boats, yachts, vans and caravans.

6.109. Vehicle rentals without operator are mainly used by visitors, both those on business trips and those travelling for recreational 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 the visitors themselves (see Chapter IV).

6.110. 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

6.111. Sightseeing is to be considered a typical tourism activity. Nevertheless, it might also be provided marginally to residents of a place, particularly when residents are hosting friends or relatives. As these residents are not included in tourism activity, an estimate needs to be made in order to exclude their sightseeing from tourism activity.

6.112. Sightseeing is often provided by organized businesses, which are often linked to travel and other reservation agencies.

E. Travel and reservation agencies

6.113. Travel agencies make up one of the tourism-related industries that are probably most dependent on tourism demand. It is not unusual in some countries for over 95 per cent of travel agencies' output to be consumed by visitors. Only accommodation services and passenger air transport come close to this level of dependency. However, 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 and book directly with providers, e.g., airlines and hotels.

6.114. The "product" sold by travel agencies to visitors is a complex one. It comprises both the travel agencies' markup and the actual travel service, usually accommodation and/or travel, which makes this service unique among those purchased by visitors. In cases where a visitor purchases a package, a third component is added to the product, namely, the tour operator's markup. This complexity is comprehensively elaborated in IRTS 2008, Chapter 6, Section D.4.

6.115. This sector is encompassed by ISIC classes 7911 ("Travel agency activities"), 7912 ("Tour operator activities") and 7990 ("Other reservation services and related activities"). In some ways, this is a highly heterogeneous "industry", as it comprises some quite distinct and different business activities. For example, in addition to the typical

activities of travel agencies, it includes theatre ticket reservation services, timeshare exchange services, provision of travel information and activities of tourist guides, as well as the activities of tour operators who compile packages and sell them directly or through travel agencies. Some of the members of these classes may have a higher proportion of their output consumed by non-visitors than the typical travel agency.

6.116. 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 activities 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 those of tourism economic analysis, including construction of the TSA.

6.117. In addition to these standard economic data, (albeit more detailed than for other industries) collection of further indicators, including numbers of trips with and without packages, can also be useful. These are elaborated in IRTS 2008 (para. 6.54) as:

- Domestic trips
  - — Trips without package
  - — Domestic packages
- International trips
  - — Inbound trips without package
  - — Outbound trips without package

6.118. In Tourism Satellite Accounts in the European Union, Eurostat 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, which includes some illustrative numerical examples as well as a model questionnaire for use by countries in surveying travel agencies. Basically, the differences are due to different valuation criteria in national accounts and the TSA, where 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 products actually consumed and not entirely to tour operator services.

6.119. In a survey, travel agencies and other providers of reservation services might provide information not only 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 and sporting events.

6.120. Such information might be particularly useful as complementary data and could also enable an appreciation of the diminishing importance of travel agencies as intermediaries over the long term, owing to the increasing use of the Internet by travellers who wish to organize their trips by themselves.

F. Other non-tourism industries

F.1. Production and trade of handicrafts

6.121. As mentioned in paragraph 5.37, in many countries, some or all handicrafts as such cannot be identified in CPC Ver.2, nor can their production be associated with any specific production process within ISIC, Rev.4. Yet, in many countries, the amount of visitor expenditures on such goods may be significant.

Box VI.10
Production and trade of handicrafts

Handicrafts are purchased mainly by individuals, whether for their own use or as gifts. Further:

- Purchases made by resident individuals within their usual environment to take as gifts on an upcoming tourism visit abroad (or even within their country) are considered part of internal tourism expenditure. These purchases are basically made at handicrafts shops located near the buyer's place of residence (which may or may not correspond to the places where the 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 within their country) are considered part of internal tourism expenditure. Such purchases are made 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, would or would not form part of inbound tourism expenditure, according to the classification of the traveller as a visitor or non-visitor.

However, some purchases of handicrafts are not part of tourism expenditure, that is to say:

- 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. These purchases are made mainly at handicraft shops located near the buyer's place of residence (which may or may not correspond to the places where the handicrafts are produced).
- Purchases made by enterprises for their own use as decorative or useful objects (for example, furniture and tableware purchased by restaurants and hotels) do not form part of tourism expenditure. However, they could be taken into account in a broader and more sophisticated measurement of the demand linked to tourism if such enterprises were 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. Hence, a slightly more elaborate analysis of the relationship between handicraft production and tourism expenditure on handicrafts will be necessary. This means that, as in the case of all products acquired by visitors as part of tourism consumption, there should be an effort to develop a reconciliation between observations of this consumption from the supply and demand sides.

F.2. The meetings industry

6.122. An increasingly important purpose of travel by visitors is to attend meetings, conferences and conventions.

6.123. Meetings, conferences and conventions are held by businesses across the spectrum of the economy. Businesses may hold such events for their own employees. Private and public institutions may hold them for their own employees or for others. Membership, professional and political organizations may hold them for their members. Educational institutions may hold them as well. In short, any organization belonging to any sector of the economy may engage in this type of activity.

6.124. Until recently, no special attempt had been made to isolate the phenomenon or to estimate the revenues and costs associated with the holding of these events. Enquiry into the nature of 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, para. 3.20). This strong connection with tourism, however, does not imply that the meetings industry qualifies as a tourism industry. In fact, its characteristic output is mainly consumed not by visitors but by the conveners of conferences and conventions, who provide services to participants at such events.

6.125. It has become necessary to recognize, and establish a place for, such activity in the international classifications of products and activities so as to enable the determination of the nature of the services provided and how they should be measured. The activity is now classified in ISIC, Rev.4, in group 823 ("Organization of conventions and trade shows") and class 8231 ("Organization of conventions"). The services provided are classified in CPC Ver.2 subclass 85961, ("Convention assistance and organization services").

6.126. Countries or places where visitor flows induced, e.g., by conferences, meetings and conventions have importance are encouraged to analyse this category of visitors and their consumption separately.

6.127. It should be noted that much meetings-related activity occurs outside the meetings industry. For example, a business organization might hold a meeting in its head office, bringing together employees from branches around the country. The consumption of 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 the development of an equivalent to the TSA relating to the meetings industry would be useful (i.e., a meetings satellite account).

Box VI.11
The meetings industry

UNWTO has promoted certain conceptual and statistical approaches to the meetings industry through dissemination of two documents:

- *Measuring the Economic Importance of the Meetings Industry: Developing a Tourism Satellite Account Extension*
- *Global Meetings Initiative:*
  - "Basic concepts and definitions" (vol. 1)
  - "Identifying the link between tourism and the meetings industry: case studies" (vol. 2)
  - "Pilot country data schedule" (vol. 3)

The aim of the research is undertaken to analyse whether and how the TSA conceptual framework can be adapted for use in measuring the meetings industry. A specific aim of that research is to provide an understanding of the global meetings industry, with particular attention to measurement of the industry's economic importance.

Source: World Tourism Organization.

Chapter 7

Measuring employment in the tourism industries

The present chapter is structured as follows: A brief introduction is succeeded by a presentation of the main concepts and definitions related to jobs, employees and the labour force, and a discussion on how to properly distinguish between "employment in the tourism industries" and "tourism employment" (sect. B). Section C discusses the measurement of employment as demand and supply of labour; section D offers a detailed description the characteristics of employment; encompassing the main international classifications and the key variables; and section E explores the major sources of data for measuring employment. The final section examines methods for collecting data on specific issues relating to employment, such as informal employment, occupations, status in employment and remuneration.

A. Introduction

7.1. While information on employment is highly significant in the analysis of any industry, it is of particular interest in the case of tourism, owing to the increasing importance of the tourism industries. Data on employment in the tourism industries are necessary in order for government and sector analysts and to understand the underlying dynamics (involving, e.g., type of employee, age, sex, education and occupation), foster improved 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, generally, the world of work in tourism is not well known because reliable data on employment in the tourism industries are either not properly separated and identified or insufficiently compiled. For this reason only a limited number of countries produce meaningful statistics on employment in the tourism industries.[35]

7.3. Chapter 7 of IRTS 2008 was conceived to provide users with answers to a wider range of questions of both a quantitative and a qualitative nature on the labour profiles of persons employed in the tourism industries.

7.4. Chapter 7 of IRTS 2008, describes concepts, definitions, basic categories and indicators of employment in the tourism industries from the perspective of labour and industry statistics rather than from that of national accounting.

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 2008 SNA (para. 19.30):

[35] 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 World Tourism Organization and International Labour Organization (2014), Measuring Employment in the Tourism Industries: Guide with Best Practices, Madrid, available at http://statistics.unwto.org/en/project/employment-and-decent-work-tourism-ilo-unwto-joint-project (28-10-2014).

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. 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.

7.7. "Employees" is one of the major groups encompassed in the International Classification of Status in Employment.[36]

According to 2008 SNA, (para.19.20): 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.

B.2. Labour force

7.8. The relevant standards on the labour force are developed and maintained by the International Labour Organization (ILO).[37] The ILO standards are contained in the resolutions, adopted by the International Conference of Labour Statisticians (ICLS) at its sessions.

Box VII.1
The ILO definition of work

The Resolution concerning statistics of work, employment and labour underutilization (para. I), adopted by the Nineteenth Conference of Labour Statisticians, 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.

Source: International Labour Organization (2013b).

7.9. According to the ILO resolution concerning statistics of work, employment and labour underutilization. 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.

i) Work is defined irrespective of its formal or informal character or the legality of the activity.
ii) 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).

[36] International Labour Organization (1993a), Resolution concerning the International Classification of Status in Employment (ICSE-93), 15th International Conference of Labour Statisticians (ICLS), 19-28 January 1993, Geneva, available at http://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/WCMS_087562/lang--en/index.htm (30-05-2014) and http://www.ilo.org/global/statistics-and-databases/statistics-overview-and-topics/status-in-employment/current-guidelines/lang--en/index.htm (30-05-2014).

[37] In this regard, the Resolution concerning the International Classification of Status in Employment substitutes the Resolution concerning statistics of the economically active population, employment, unemployment and underemployment, adopted by the Thirteenth International Conference of Labour Statisticians (October 1982) and the amendment of its paragraph 5, adopted by the Eighteenth Conference (2008); the Resolution concerning the measurement of underemployment and inadequate employment situations adopted by the Sixteenth Conference (October 1998), as well as the Guidelines endorsed thereat 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 Fourteenth Conference (1987).

7.10. The concept of work is aligned with the general production boundary as defined in the System of National Accounts 2008 (2008 SNA) and its concept of economic unit which distinguishes between:

a) Market units (i.e., corporations, quasi-corporations and household unincorporated market enterprises);

b) Non-market units (i.e., government and non-profit institutions serving households);

c) Households that produce goods or services for own final use. Work can be performed in any kind of economic unit.

Box VII.2
Work and the 2008 SNA

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 the production of goods and services for own final use;

b) **Employment work** performed for others in exchange for pay or profit;

c) **Unpaid trainee work** performed for others without pay to acquire workplace experience or skills;

d) **Volunteer work,** 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, and unpaid military or alternative civilian service, which may be treated as a distinct form of work for measurement (such as 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

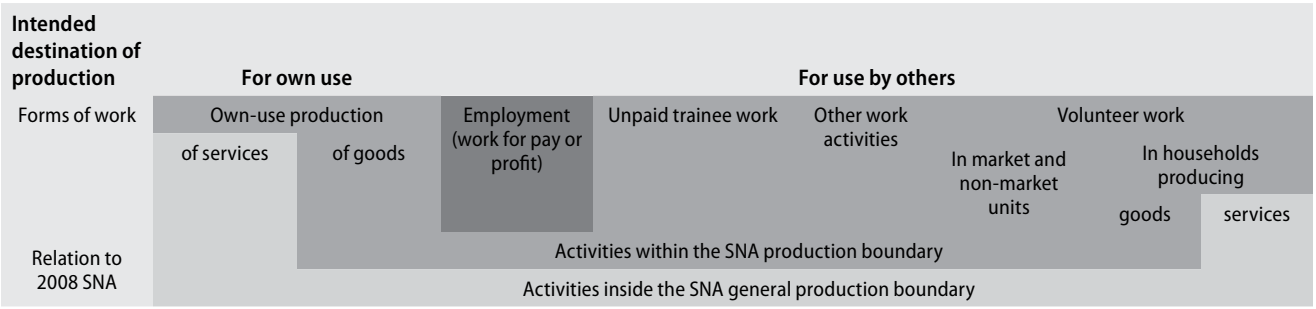
c) Outside the labour force; and among these, in the potential labour force.

Source: International Labour Organization (2013b).

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 2008 SNA production boundary. Own-use provision of services and the remaining part of volunteer work complete the national production accounts i.e., beyond the 2008 SNA production boundary but inside the general production boundary (see Figure VII.1).

Figure VII.1
Forms of work and the System of National Accounts 2008[a]



a Incuding compulsory work performed without pay.
Source: International Labour Organization (2013b).

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 VII.3
Identifying 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).

Source: Statistical Office of the European Union (2010), paras. 11.17-11.19.

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.[38] 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). See also section C.3 below.

"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]

a) 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;

[38] See International Labour Organization (1998), *Resolution concerning the measurement of employment-related income*, 16th International Conference of Labour Statisticians (ICLS), 6-15 October 1998, Geneva, available at http://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/WCMS_087490/lang--en/index.htm (30-05-2014).

b) 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 explained in IRTS 2008 (paras. 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 VII.4.

Box VII.4
Jobs versus employment

The concept of jobs differs from the concept of employment as follows:

- Jobs include 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, jobs exclude 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 layoff or away on training is not counted as a job.

Source: Statistical Office of the European Union (2010), para. 11.23.

7.17. The distinction between employed persons and jobs leads to three measures of employment in the tourism industries, i,e., a count of:

- Persons employed in tourism industries in any of their jobs
- Persons employed in tourism industries in their main job
- Jobs in tourism industries

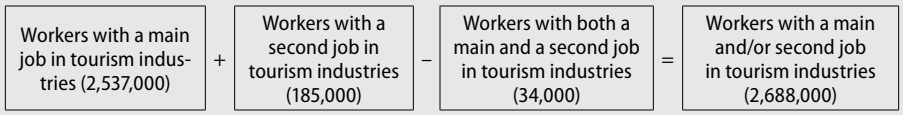
7.18. An example of the practical application of the measures of "main job" and "other job(s)" is presented in Box VII.5).

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 or 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 using two categories of status in employment to classify employed persons with respect to a given job: paid employment or self-employment. Further information is given in section D.1.3.

Box VII.5
Workers in main and second jobs in tourism industries: example of the United Kingdom

In 2011, there were 2.5 million people in the United Kingdom with a main job in tourism industries. Of these, some 34,000 had a second job in tourism industries; and there were an additional 150,000 people with second jobs in tourism, as recorded by the Annual Population Survey. These data are summarized in the figure below, which shows that just under 2.7 million workers had a main or second job (or both) in tourism industries in 2011.

Workers with a main or second job or both in tourism industries 2011



Source: World Tourism Organization and International Labour Organization (2014).

Results based on the Annual Population Survey (household survey) indicate that, in 2011, employment in main and second jobs in tourism industries in the United Kingdom was 2.7 million, a figure representing 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 (see IRTS 2008, paras. 6.15-6.20), 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 (see IRTS 2008 categories 11 and 12 listed in figure 5.1, and para. 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, para. 7.4).

7.23. The concept of tourism employment, refers in accordance with IRTS 2008 (para. 7.3), to "employment strictly related to the goods and services acquired by visitors and produced by either tourism industries or other industries". 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 per cent) are counted in the Canada's 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

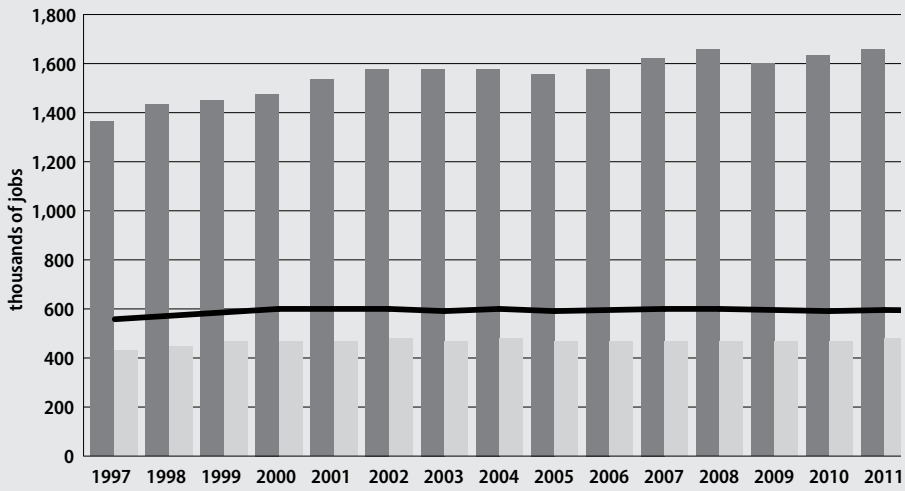
[39] Sometimes also called "direct tourism employment" because jobs are directly attributable to tourism.

not included.[40] However, some employment in agriculture can be directly due to visitor spending, e.g., at roadside fruit and vegetable stalls.

7.24. The different values of the measures described above are presented in Figure VII.2. Box VII.6 outlines schematically different types of tourism-related employment.

[40] Meis, S. (2014), *Measuring Employment in the Tourism Industries Beyond the Tourism Satellite Account: A Case Study of Canada*, Working paper, available at http://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/publication/wcms_243294.pdf (30-05-2014).

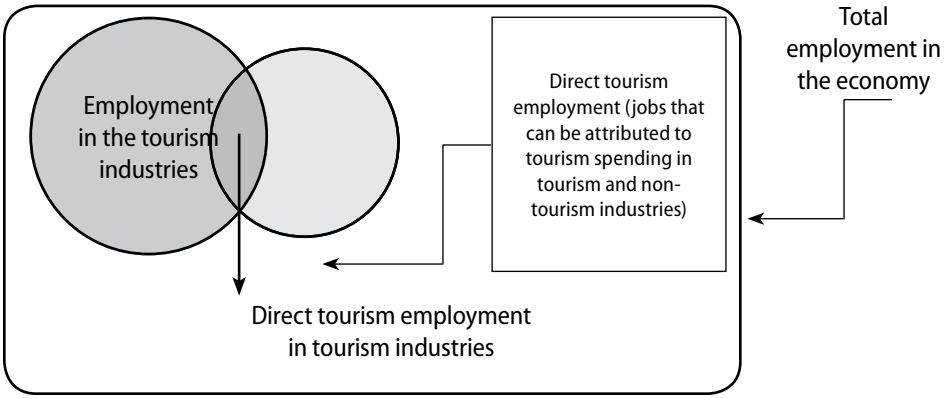
Box VII.6
Jobs in tourism industries versus jobs due directly to tourism, 1997-2012: example of Canada



The difference between employment in the tourism industries and the direct tourism employment has in the fact that the former is a measure of all the jobs (or persons engaged) in both tourism-characteristic activities and non-tourism-characteristic activities in all establishments in tourism industries, while 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.

Source: Meis, S. (2014).

Figure VII.2
Employment in tourism industries



Source: International Organization and World Tourism Organization (2008).

C. Measurement of employment as demand and supply of labour

7.25. Depending on user needs, employment in tourism industries can be expressed by measuring any of four different variables (see IRTS 2008, para. 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 versus count of persons

7.26. Pursuant to paragraph 7.6 above, 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 as 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 chosen be 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 respect to persons temporarily absent from their main job in the reference period and as regards selecting a previous job for the unemployed. It is recommended that a job from which a person is temporarily absent should not be considered the main job if the person is employed and at work in another job during the reference week. The ILO international recommendation do not state, but rather imply, that if a person does not have any other employment in the reference period, then the job from which he or she is absent should be considered the main job. It has been found that usually, most economically active persons do report any job from which they are temporarily absent and expect the information to be recorded. This response applies particularly to wage earners on leave and members of similar categories, but is also very common among the self-employed.[41]

7.28. For examples of questions used to collect data on the main job and additional job(s) in labour force surveys and on an employee's job in establishment surveys, see Annex III, (questions 2, 47 and 48) and Annex IV (question 1), respectively.

C.2. Full- and part-time jobs

7.29. According to the ILO Part-Time Work Convention (article I (a) and (c)), 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:

a) Has the same type of employment relationship;

b) Is engaged in the same or a similar type of work or occupation;

c) 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.

[41] See also the United Nations and International Labour Organization (2010), *Measuring the Economically Active in Population Censuses: A Handbook*, Studies in Methods. Series F, No. 102, available at http://unstats.un.org/unsd/pubs/gesgrid.asp?id=432 (30-05-2014)

7.30. Consequently, a part-time job is a position that requires a person to work fewer hours than would be considered full-time by his or her employer. National criteria for what contitutes a full-time and a 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 work 30 hours or more per week, at their main or only job. The part-time (work-hours) category includes employed persons who usually work less than 30 hours per week, at their main or only job.[42] 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.[43]

7.31. 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- and part-time employment are given in Annex III (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.

[42] Statistics Canada (2010), *Classification of Full-time and Part-time Work Hours*, available at http://www.statcan.gc.ca/concepts/definitions/labour-travail-class03b-eng.htm (30-05-2014).

[43] The Fair Work Act 2009 introduced the subjects of modern awards and the National Employment Standards (NES), a set of minimum employment standards which are applicable to the great majority of Australia's employees. Modern awards encompass an additional range of employment conditions and the details must be read in conjunction with the National Employment Standards (NES).

C.3. Hours of work

7.32. Statistics on working time have become central in their own right to describing and analysing issues relating to employment, productivity and conditions of work. They are important and valuable for all countries (developed and developing alike) in respect of the observation of all work activities. The amount of time spent at work and the associated working-time arrangements have far-reaching legal, financial, economic and social implications for individuals and nations.

[44] Detailed discussion on the importance and usefulness of collecting working time statistics is given in ILO, *Report II. Measurement of Working Time*.

7.33. Seven concepts of working time are associated with the productive activities of a person and performed in a job, namely:

- **Hours actually worked** is the key concept of working time defined for statistical purposes, applicable to all jobs and to all working persons
- **Hours paid** for are linked to remuneration of hours that may not all correspond to production
- **Normal hours of work** refers to legally prevailing collective hours
- **Contractual hours of work** that individuals are expected to work according to contractual relationships as distinct from normal hours
- **Hours usually worked** are most common in a job over a long observation period
- **Overtime hours of work** are performed beyond contracts or norms
- **Absence from work hours** is the time when working persons do not work.[45]

7.34. Notably, the definition of hours actually worked (see Box VII.7) 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 in obtaining 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 organizations) active in the tourism sector, even though such persons will not be classified as employed according to the SNA production boundary.

[45] International Labour Organization (2008a), Resolution concerning the measurement of working time, para. 10 (i) (a), 18th International Conference of Labour Statisticians, 24 November-5 December 2008, Geneva, available at http://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/WCMS_112455/lang--en/index.htm (30-05-2014).

Box VII.7
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.

4) 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

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 drivers to ensure public safety).

Hours usually worked

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).

Source: International Labour Organization (2008a).

C.4. Full-time equivalent employment

7.35. As mentioned in IRTS 2008 (para. 7.21) (intensity of work), information on the total number of working hours[46] is required in order 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 in the 2008 SNA paras. 19.43 and 19.54).

[46] Working time comprises the time associated with productive activities and the arrangement of this time during a specified reference period. See International Labour Organization, (2008a).

Box VII.8
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: 2008 SNA. para. 19.43.

7.36. It is recommended that the average hours of full-time workers economy-wide be used as the basis for determining the full-time equivalents of part-time jobs.

Table VII.1
Number of jobs and full-time equivalents (FTE) in tourism industries (2009): example of Austria

	Number of jobs		Full-time equivalents (FTE)					
			Employees		Self-employed		Total	
Tourism characteristic industries	Thousands	Share (percentage)	Thousands	Share (percentage)	Thousands	Share (percentage)	Thousands	Share (percentage)
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, sports								
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*	1.7	*4.9*	7.5	*2.9*
Total								
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 compiled on 21 March 2001, Austrian Institute of Economic Research.
Note: Preliminary results.

7.37. Box VII.9 offers a brief discussion of the usefulness under certain conditions of the full-time equivalent concept in the 2008 SNA.

Box VII.9
Labour input in the 2008 SNA

The 2008 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 ILO to recommend recording total hours actually worked as the preferred measure of labour input, countries are encouraged to use total hours actually worked instead of full-time equivalents.

Source: The 2008 SNA, para. 19.45.

D. Characteristics of employment

D.1. International classifications

D.1.1. International Standard Classification of Occupations

7.38. The term "occupation" refers to the kind of work done during a given 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.

7.39. 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 carried out with respect to one job only or for a number of jobs. Consequently, it is important that the questionnaire specify for which job the information is to be collected the main job or the secondary job and whether this refers to the past or 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 in respect of industry and occupation.

7.40. 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.

7.41. ISCO-08 is a four-level hierarchically structured classification which 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 submajor groups and 10 major groups, based on the similarity of the skill level and skill specialization required.[47]

7.42. It should be emphasized that ISCO-08, may serve as a model but 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.

7.43. ISCO-08 seeks to facilitate international communication about occupations by providing statisticians with a framework for making 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.

[47] 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 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 UNESCO International Standard Classification of Education (ISCED) 1997 to define four broad categories of skill level.

7.44. Among the key characteristics used in the retrieval and organization of labour market information are 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 VII.10
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.

Through the application of this definition a job in a tourism industry could 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.

Source: International Standard Classification of Occupations (ISCO-08).

7.45. At a minimum, it is useful to collect and compile data about tourism characteristic occupations for the following reasons:

a) There is a 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;

b) Tourism authorities and policymakers need to examine labour demand and supply in terms of occupations, skills and training requirements.

7.46. As a preliminary starting point, in this regards, Statistics Canada and the Canadian Tourism Human Resource Council use an approach which is designed to identify tourism characteristic occupations.[48]

7.47. 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:

a) The occupation should be found within tourism industries;

b) The occupation should involve direct contact with visitors or the supervision or management of job holders in direct contact with visitors;

c) The tourism industries should account for a significant share of all jobs in that occupation;

d) The occupation should make up a significant share of all jobs in the tourism industries.

As mentioned in paragraph 7.45, an agreed definition of "tourism characteristic occupation" has not yet been established. Hence, the approach just described, albeit provisional, is still useful.

[48] For further and more detailed information see International Labour Organization (2013a), *Proposal for Identifying Characteristic Occupations of the Tourism Industries as a Tourism Thematic View within ISCO-08 and National Occupational Classification Systems*, Room Document No. 13. 19th International Conference of Labour Statisticians (ICLS), 2 - 11 October 2013, Geneva, available at http://www.ilo.org/global/statistics-and-databases/meetings-and-events/international-conference-of-labour-statisticians/19/WCMS_222947/lang--en/index.htm (30-05-2014).

D.1.2. International Standard Classification of Education

7.48. The purpose of the International Standard Classification of Education (ISCED) is to provide an integrated and consistent statistical framework for the collection and reporting of internationally comparable education statistics. The coverage of ISCED 1997 extends to all organized and sustained learning opportunities for children, youth and adults, including those with special educational needs, irrespective of the institutions or organizations providing them or the form in which they are delivered.

7.49. ISCED is a multipurpose 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 pupil enrolment, human or financial resources invested in education and educational attainment of the population. The basic concept and definitions of ISCED have therefore been designed to be universally valid and invariant with respect 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.

7.50. For instance, an employed person, when answering a question on highest completed level of general education at school, will base his or her response on the national classification system. Since education systems differ across countries, there is no unambiguous definition of general school education. Therefore, so that the goal of providing internationally comparable data can be achieved, as a first step, countries should use their own classification system and in a second step, where possible, a correspondence should be made with the internationally accepted International Standard Classification of Education (ISCED 1997).

7.51. ISCED 1997 identifies the following seven levels of education:

Level 0—Pre-primary education provides a bridge between the home and a school-based atmosphere

Level 1—Primary education or first stage of basic education offers a sound basic education in reading, writing and mathematics along with an elementary understanding of other subjects

Level 2—Lower secondary or second stage of basic education completes the provision of basic education which began at ISCED 1

Level 3—(Upper) secondary education begins at the end of full-time compulsory education

Level 4—Post-secondary non-tertiary 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 that offered at levels 3 and 4

Level 6—Second stage of tertiary education, leading to an advanced research qualification

7.52. The case study provided in Box VII.11 describes the relationship between jobs held and education requirements in tourism industries.

Box VII.11
Education levels: example of Canada

As is often noted in the literature on tourism employment, many jobs in tourism are associated with relatively low skill and education requirements. This generalization is supported by data for Canada on persons working in tourism industries. The data showed that most tourism workers in Canada have relatively low education levels compared with Canadian workers in general. Only about one in 10 tourism workers (12.3 per cent) hold a university certificate or degree compared with 22.3 per cent of persons employed in the overall workforce. Further, 23.3 per cent of tourism workers have no certificate, diploma or degree compared with 14.5 per cent in Canada's overall 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 data on the demography of the workers in Canada's tourism industries reveal considerable variability in the education levels of workers across tourism industry groups. Thus, in both the recreation and entertainment industry and travel services industry groups, the share of tourism workers with a university certificate or degree (22.7 per cent) is approximately the same as that found in the overall Canada's workforce. On the other hand, the shares of workers in the food and beverages, accommodation, and transportation industry groups with a university certificate or degree (7.2 per cent, 11.8 per cent, and 11.9 per cent) are much lower than those of persons employed in the overall workforce. Similarly, the share of workers in the food and beverage, and accommodation industry groups with no certificate, diploma or degree (31.9 per cent and 20.6 per cent) are much higher than those of person employed in the overall workforce.

Source: Meis, S. (2014).

D.1.3. International Classification of Status in Employment

7.53. Status in employment (paid employment versus self-employment) was briefly introduced in paragraph 7.20 above. Additional information on status in employment and on the classifications groups and use of the International Classification of Status in Employment (ICSE-93).[49]

[49] International Labour Organization (1993a). See also International Labour Organization (2000), *Current International Recommendations on Labour Statistics*, ILO, Geneva.

7.54. It should be noted again that for operational purpose, both IRTS 2008 and TSA: RMF 2008 recommend the use of 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 made in both IRTS 2008 and TSA: RMF 2008 is between (paid) employees and self-employed persons (employers and other non-employees) (see also Box VII.9 for a country example).

7.55. However, this does not preclude countries from presenting data on persons employed in tourism industries classified by any other ICSE group(s) (see Table VII.2).

7.56. 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;

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 or she has usually worked the longest hours during the reference period.

7.57. 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., if some of the remuneration is independent of the potential for profits, then this is considered to be a paid employment job.

Table VII.2
Estimated workforce jobs, 2008 (seasonally adjusted): tourism and non-tourism industries in the United Kingdom

	Estimated workforce jobs (thousands), 2008			
Tourism industries	**Q1**	**Q2**	**Q3**	**Q4**
Employee jobs	2 815	2 829	2 828	2 808
Self-employment jobs	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, Annual Population Survey data.

Note: Details do not necessarily add up to totals owing to rounding.

7.58. Pursuant to paragraph 7.58, paid employment jobs may be defined as those jobs where the incumbents hold explicit written or oral employment contracts which give them a basic remuneration, which 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, piece rates, bonuses or in-kind payments.

7.59. 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 decisions while retaining responsibility (in this context, "enterprise" includes one-person operations).

7.60. Box VII.12 presents the International Classification of Status in Employment (ICSE-93), setting out the groups of which it consists:

Box VII.12
International Classification of Status in Employment (ICSE-93)

The International Classification of Status in Employment (ICSE-93) comprises 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. Countries may need to 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 persons 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 cooperative 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 and have too limited a degree of involvement in its operation to be considered partners.
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.

Source: International Classification of Status in Employment (ICSE-93).

D.2. Key variables

7.61. IRTS 2008 (para. 7.27) recommends that countries collect the following key variables for each of the tourism industries and for the tourism industries as a whole:

a) 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;

b) Employment by type of establishments (size, formal, informal, etc.);

c) Employment classified by occupation and status in employment;

d) Permanent/temporary employment expressed in terms of number of jobs, persons, hours of work, full-time equivalent, etc.;

e) Employment by educational attainment;

f) Hours of work (normal/usual, actually worked, paid for);

g) Working-time arrangements.

7.62. Measurement aspects of variables *(a)* to *(f)* (with the exception of informal establishments under *(b)*), are explained in earlier sections (sect. B and C above): employment in terms of jobs and persons, main and all other jobs. Examples of selected tables produced by Slovakia with these variables are provided in Table VII.3.

Table VII.3
Employment in tourism industries by status in employment: example of Slovakia

	Basic data and indicators	2008	2009	2010
5.	EMPLOYMENT			
	Number of employees by tourism industries[a]			
5.1	Total	92.7	99.3	94.1
5.2	• Accommodation services for visitors (hotels and similar establishments)	14.4	11.7	10.9
5.3	• Other accommodation services	..	..	..
5.4	• Food and beverage serving activities	34.8	43.7	39.0
5.5	• Passenger transportation	22.1	21.1	22.1
5.6	• Travel agencies and other reservation services activities	2.2	2.8	2.8
5.7	• Other tourism industries[b]	19.2	20.0	19.4
	Number of jobs by status in employment			
5.8	Total	116.7	126.4	118.4
5.9	• Employees	95.0	105.5	98.4
5.10	• Self-employed	21.7	20.9	20.0
	Indicators			
	Number of full-time equivalent jobs by status in employment			
5.11	Total	110.3	120.4	114.0
5.12	• Employees	88.9	100.7	94.9
5.13	* male	42.3	45.5	42.6
5.14	* female	46.6	55.2	52.3
5.15	• Self-employed	21.4	19.7	19.1
5.16	* male	14.5	12.8	12.4
5.17	* female	6.9	6.9	6.7

[a] TSA (TSA: RMF 2008) international comparable tourism industries;
[b] Culture, sports and recreational services.

Sources: Statistical Office of the Slovak Republic and National Bank of Slovakia.

7.63. As employment variables *(a)* to *(g)* (para. 7.62) 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, para. 7.28):

a) Compensation of employees;

b) Labour cost, and;

c) Mixed income of self-employed persons.

7.64. Definitions of variable informal sector enterprises/establishment), under variable *(b)*, variable *(g)* (working-time arrangements) and variables (a) to (c) are given below.

D.2.1. Informal sector enterprises

7.65. According to the ILO:

> 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.[50]

7.66. Employment in the informal sector is associated with 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.

7.67. The informal sector is broadly characterized 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.

7.68. These units typically operate at a low level of organization 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 or social relations rather than contractual arrangements with formal guarantees. In many tourism characteristic activities mainly those related to accommodation and food-serving services and mostly in less advanced countries or isolated regions such types of units prevail.

7.69. 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 licences or business permits), and/or their employees (if any) are not registered.

7.70. 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.[51]

[50] International Labour Organization (2002), *Resolution concerning decent work and the informal economy, conclusion 3*, 90th Session of the General Conference, Geneva, available at http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/meetingdocument/wcms_098314.pdf (30-05-2014).

[51] International Labour Organization (2003), *Guidelines concerning a statistical definition of informal employment*, 17th International Conference of Labour Statisticians (ICLS), 24 November-3 December 2003, Geneva, available at http://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/guidelines-adopted-by-international-conferences-of-labour-statisticians/WCMS_087622/lang--en/index.htm (30-05-2014).

7.71. 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 (involving paid domestic workers or goods production for own-consumption), during a given reference period.

7.72. 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

7.73. 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 (e.g., advance notice of dismissal, severance pay, paid annual or sick leave).

Box VII.13
Factor associated with the existence of informal jobs of employees

- Non-declaration of the jobs or the employees
- Casual jobs or jobs of a limited, short duration
- Jobs with hours of work or wages below a specified threshold (e.g., for social security)
- Employment by unincorporated enterprises or by persons in households
- Place of work of the employee (e.g., outworkers without an employment contract) is outside the premises of the employer's enterprise
- Jobs for which labour regulations are not applied, enforced or complied with for other reasons.

Source: International Labour Organization (2003), para. 5.

7.74. Owing to the phenomenon of the holding of multiple jobs, the observation unit for informal employment is a job rather than an employed person. Data collected should be tabulated as total employment classified by type of production unit and type of job.

Box VII.14
Criteria for measuring informal jobs

The Seventeenth International Conference of Labour Statisticians (ICLS) recommends the following operational criteria for measuring informal jobs of employees:

a) Lack of coverage by social security system;
b) Lack of entitlement to paid annual or sick leave;
c) Lack of written employment contract;
d) Casual or temporary nature of work.

It should be noted that a job's fulfilment merely of criteria (c) or (d) is not sufficient to justify that job's being considered informal.

Source: International Labour Organization (2003).

D.2.2. Working-time arrangements

7.75. **Working-time arrangements** encompass 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 apply to all types of jobs (within and beyond the SNA production boundary), including in informal employment and in agricultural communities;[52] more specifically:

[52] For more detailed information, see International Labour Organization (2008a).

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, and 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 (i.e., the job may be performed at night or at weekends);

b) The scheduling reflects, inter alia, 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, and different entry and exit times.

7.76. **Formalized working-time arrangements** encompass specific combinations of the organization and scheduling of working time that are recognized, e.g., by law or collective agreement. They may be stipulated in explicit or implicit employment contracts.

7.77. Thus, in self-employment or household service and volunteer jobs, may be practiced whereby a formalized working-time arrangement is based on, e.g., work requirements, or personal or household preferences (based on, inter alia, customer contracts or fixed opening hours of shops or schools).

Box VII.15
Examples of working-time arrangements

a) **Compressed working-week arrangements,** characterized by an organization of the working time over fewer days than are considered to constitute 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 in terms of 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) **Combined extended work and leave periods,** characterized by a number of weeks on, at special worksites (e.g., remote areas, and on board ships and oil platforms at sea) and a number of weeks off work.

Source: International Labour Organization (2008a).

D.2.3. Compensation of employees

7.78. Compensation of employees is a wage measure used in connection with the national accounts. The 2008 SNA (chap. 7, entitle "The distribution of income accounts", paras. 7.5 and 7.45) determines 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".

7.79. 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.

7.80. Wages and salaries (earnings) cover all payments received by employees for their work, whether in cash or in kind, and before, e.g., deductions for their contribution to social security and withholding taxes.

7.81. The concept of earnings relates to remuneration in cash or in kind paid to employees for time worked or work done together with remuneration for time not worked, such as annual vacation and paid leave or holidays.

7.82. 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

7.83. The statistical measure of labour cost corresponds to the concept of wages and other cost incurred by the employer in the employment of labour. Box VII.16 presents the major components of labour cost, as recommended in the resolution concerning statistics of labour cost adopted by the Eleventh International Conference of Labour Statisticians.

Box VII.16

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: International Labour Organization (1966).

7.84. In addition to a pay cheque, 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.

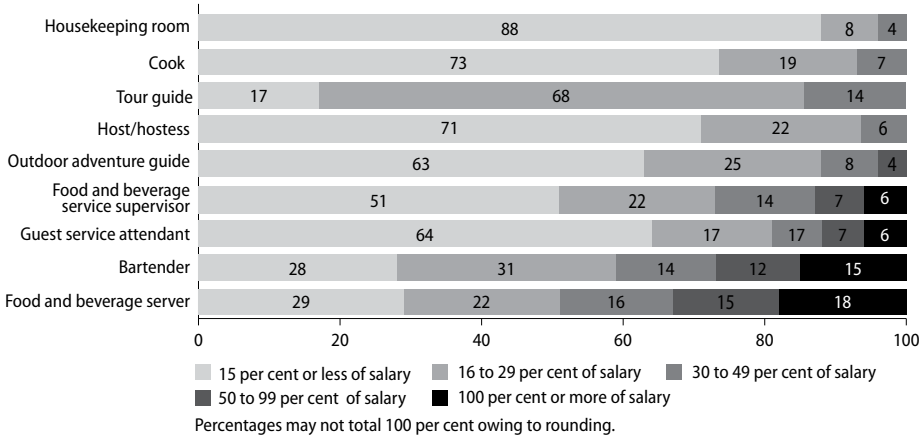
7.85. To sum up, the compensation of employees describes the total annual earnings of employees in return for labour, while labour cost stipulates the total cost for the employer related to the utilization of labour.

7.86. 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.

7.87. Figure VII.3 and Figure VII.4 and Table VII.4 illustrate the practical application of these concepts. For further examples of the measurement of labour cost and its components[53] are available from the World Tourism Organization.

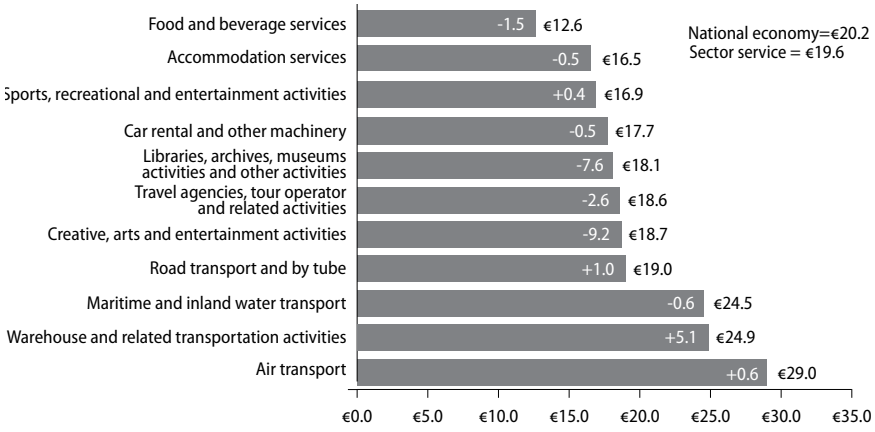
[53] World Tourism Organization and International Labour Organization (2014).

Figure VII.3
Average gratuities earned by selected occupations: example of Canada (percentage of base salary



Source: Canadian Tourism Human Resource Council (2011).

Figure VII.4
Labour cost per hour worked by branches of the tourism sector: example of fourth quarter of 2012 in Spain



Source: Compilation based on data from the *Quarterly Labour Cost Survey (QLCS) conducted by Instituto Nacional de Estadística (INE).*

Note: Graph displays absolute figures and year-on-year percentage change.

Table VII.4
Annual and hourly compensation in tourism industries and total economy, 2007-2012: example of Canada

	2007	2008	2009	2010	2011	2012	Percentage 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
Percentage change	5.4	4.7	-2.3	3.9	4.2	3.7	
Total economy[a]	835 905	871 615	868 621	896 290	936 303	973 547	4.0
Percentage change[b]	-	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[c,d]	**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	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[c,d]	17.70	18.26	18.81	19.38	19.88	20.10	1.1
Percentage change	2.8	3.2	3.0	3.0	2.5	1.1	
Total economy[a]	28.10	28.97	29.90	30.29	31.17	31.86	2.2
Percentage change[b]	-	3.0	3.3	1.3	2.9	2.2	
Ratio of tourism sector to total economy	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: Martin. T. (2013).
Note: A hyphen indicates that an item is not applicable.

[a] Statistics Canada, CANSIM database, table 383-0031.
[b] Not available for reference year 2007 owing to the historical revision of the Canadian System of National Accounts.
[c] Hourly compensation includes wages and salaries, supplementary labour income and the labour portion of mixed.
[d] Excluding supplementary labour income from the labour portion of mixed income for the self-employed.

D.2.5. Mixed income of self-employed persons

7.88. 7.88. The remuneration of the self-employed is treated as mixed income. It is defined as the income that 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.[54]

[54] For more ample information, see International Labour Organization (1998).

7.89. 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 provided in the System of National Accounts (see para. 7.9); they may also include the owner-managers of corporations and quasi-corporations.

7.90. Gross income related to self-employment consists of:

a) Profit (or the share of profit) that is generated by the self-employment activity;

b) Where relevant, remuneration received by owner-managers of corporations and quasi-corporations;

c) 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

7.91. Tourism activity is a complex, demand-driven phenomenon. The structure of the tourism sector, as defined in IRTS 2008, reflects this complexity, within the context of classifying a comprehensive but fragmented set of industries to tourism. Such 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.

7.92. There are the following three major groups of primary data sources in labour statistics:[55]

[55] For more detailed information on data sources used by countries for measuring various dimensions of employment in the tourism industries, see International Labour Organization and World Tourism Organization (2008), *Sources and Methods: Labour-Statistics Employment in the Tourism Industries*, ILO, Geneva, UNWTO; and World Tourism Organization and International Labour Organization (2014).

a) **Household-level data** (measuring labour supply): population censuses and household-based sample surveys;

b) **Establishment-level data** (measuring labour demand): establishment censuses and establishment-based sample surveys;

c) **Administrative records,** such as employment office registers, social security files, unemployment insurance records, labour inspection records, and tax records.

7.93. As noted in IRTS 2008 (para. 6.8) "establishments" usually provide data that are more suitable for analyses of production. However, information collected through 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 (see sect. E.3 below) can also be applied to enterprise-based surveys.

E.1. Population census

7.94. A population census encompasses 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.

7.95. 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, and status in employment; and, in addition, may be specially designed to capture, inter alia, time worked, income, and employment in the informal sector and the like. The census is also a source for information on a person's previous job, if he or she is unemployed or out of the labour force at the time of the observation. This is useful for analyses entailing persons who formerly had a job in the tourism sector. Further, it can be a source of valuable information on an individual's nationality, ethnicity and immigration status, where appropriate.

7.96. 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, covering the total population on occupations, cross-classified by type of economic activity (industry) and level of education.

7.97. 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

7.98. Household sample surveys are among the most flexible means of data collection. In theory, almost any population-based subject can be investigated through household surveys. In sample surveys, once a part of the population has been selected, observations are made or data are collected. Thereon, inferences are then produced for application to the whole population. Because in sample surveys there are smaller workloads for interviewers and a longer time period assigned for data collection, most subject matter can be covered in greater detail than in censuses.[56]

7.99. The following types of household-based surveys are conducted in countries for the purpose of collecting data for measuring and evaluating various dimensions of employment in the tourism industries (the list, however, is not exhaustive): the Labour Force Survey, the Household Income and Expenditure Survey, the Annual Population Survey (United Kingdom) and the European Union Statistics on Income and Living Conditions project (conducted annually in EU member States). Usually, data collected are used in combination with other sources.

7.100. The Labour Force Survey (LFS), which is the main instrument of data collection on employment, underemployment and unemployment, permits the collection of consistent and comprehensive information for both employees and the self-employed population.

7.101. Moreover, besides the Population Census, the LFS represents the only other comprehensive source of information on 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

[56] For further information see also United Nations (2008a), *Designing Household Survey Samples: Practical Guidelines, Studies in Methods, Series F No.98*, available at http://unstats.un.org/unsd/pubs/gesgrid.asp?id=398 (30-05-2014).

he or she may be holding and the number of establishments or enterprises he or she may be working for (see Annex III for an example).

7.102. Furthermore, usually the concepts and definitions underlying the LFS are based on international recommendations of ILO, which can be used as a yardstick for international comparisons on this topic.

E.3. Establishment-based sample surveys

7.103. There are a large variety of establishment surveys, each designed to obtain specific information on, e.g., 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; and employment in the informal sector.

7.104. 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; and skills and training needs. The employment data collected in establishment surveys are sometimes disaggregated by sex.

7.105. As an establishment survey is a sample survey, the reliability and completeness of its results are fully dependent on the completeness and efficient updating of the country's business register.[57]

[57] A business register is a list of the enterprises and/or establishments in a country, with an identification number for each unit. It includes at minimum information about the unit's size, type of activity and activity status, as well as extensive contact information.

7.106. In the field of tourism statistics, the following types of establishment-based surveys are used to produce tables with a multiplicity of data on employment in the tourism industries, which are usually used in combination with data collected from other sources (the list is by no means exhaustive): the Labour Cost Survey; the survey of Employment, Earnings and Hours of Work; Workforce Jobs Survey, as part of the Short-Term Employment Surveys (United Kingdom); the Business Register and Employment Survey (United Kingdom); the Annual Business Inquiry (United Kingdom); the Business Register Survey (United Kingdom); the Annual Survey of Hours and Earnings (United Kingdom); and the Labour Situation Survey (Spain). For an example of a survey of Employees' Earnings and Hours, see Annex IV.

E.4. Administrative records

7.107. Administrative data are produced as a by-product of the administrative functions of a government agency.

7.108. 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 serve as a rich data source, which should be fully exploited.

7.109. Notably, administrative and similar large data sets have a number of advantages over other types of data sources: they are already well established and in many cases may be sufficiently large to provide robust subnational data. However, as mentioned above, these administrative data sources are not typically designed to align with statistical concepts of tourism, for example. Consequently, extensive work is usually required to enable the derivation of usable statistical information.

7.110. In the case of employment in the tourism industries, countries are encouraged to fully investigate and use the following types of administrative records:

the business register (or business demography) maintained by a NSO; the revenue record file; the social protection or social security record file; income tax individual records; the statistical register of employment; and the central register of tour operators and travel agencies.

7.111. In this regards, Delaney and MacFeely conducted a pioneering study, whose results were published in "Employment in the Irish tourism industries: using administrative data to conduct a structural and regional analysis". The paper contains many useful and informative tables and figures on diverse dimensions of employment in the tourism industries produced based on administrative and similar data sets.

E.5. Advantages and disadvantages of the statistical data sources described

E.5.1. Household-based surveys versus establishment-based surveys

7.112. Household- and establishment-based data are complementary, each providing significant types of information which cannot be suitably supplied by the other. Current population characteristics, for example, are obtained from the household-based surveys, whereas detailed industrial classifications are much more reliably derived from establishment reports.

7.113. 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 bases for discrepancies.

7.114. The major factors that have a differential effect on the levels and trends of employment statistics, as collected from the two sources are once again (the differences described are not exhaustive):

7.115. **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.

7.116. **Multiple job-holding.** 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.

7.117. **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.

7.118. **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.

7.119. The LFS covers hours worked by employees and self-employed persons. However, the LFS estimates only the employment within the borders of a given country and does not usually capture, for example, cross-border workers or foreign seasonal workers. These two categories of workers may be found among persons employed in establishments of tourism industries.[58]

[58] Notably, there may be countries where an LFS captures these categories 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 there temporarily. Farmers included in the survey have to report these migrant workers as part of their household.

E.5.2. Population Census versus household-based surveys

7.120. 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.

7.121. 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.

7.122. Furthermore, the data collected from the Population Census are used in conjunction with other statistical sources of data collection on the labour force and other economic characteristics.

7.123. 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).

7.124. In contrast, the household-based sample surveys by virtue of their smaller size can allot more than one question to each item, which thereby allows 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 international recommendations of ILO, which can be used as a yardstick for international comparisons on this topic.

7.125. Other differences include:

- Scale of the operations involved (complete enumeration versus sampling)
- Methodology, practical conditions of implementation, timing and complexity of the data collected
- More flexible tailoring (by the LFS) to fit a variety of user needs and methods of data collection
- Surveys usually do not provide sufficient detail for small areas or subgroups of the population, owing to the limited size of the samples.

E.6. Integration of information on tourism employment

7.126. As has already been mentioned, comprehensive gauging and analysis of employment in tourism industries on the basis of only one statistical source is hardly feasible. The integration of data from different sources is therefore a preferable alternative. This approach yields more comprehensive information, provides a better overview and a more consistent picture, and results in a more accurate analysis (see IRTS 2008, para. 7.34).

7.127. Box VII.17 illustrate how tourism employment is measured by applying tourism ratios from the Tourism Satellite Account.

Box VII.17
Measuring tourism employment by applying tourism ratios: example of Austria

In Austria, the measurement of employment in tourism is based on the concepts of the TSA (see TSA: RMF 2008. chap. 4, table 7), which enables a more comprehensive picture to be provided 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 not only to visitors, but also to non-visitors, since, e.g., local residents also contribute to these tourism industries. In particular in some regions, the selected tourism industries can also provide products and services to non-visitors and in this regard the proportion of tourism demand might range between nearly 0 and 100 percent.

The demand side has therefore to be integrated if a more comprehensive picture of the interlinkages between tourism supply and demand is to be obtained. This is done by applying the relevant "tourism ratios", based on TSA: RMF 2008 (chap. 4, table 6) to the corresponding tourism industry. It is only on this basis that certain share of total employment in the tourism industries can be attributed to tourism (tourism ratio).

However, it has to be clarified for the data user, that, owing to the integration of the demand side and the application of tourism ratios, there will be a certain inconsistency with respect to other employment figures from administrative data sources i.e., the results from the application of table 7 of TSA: RMF 2008 cannot be compared directly with figures from social insurance carriers, the results from the labour force survey or figures from business statistics, for instance.

Source: Laimer, P. and Öhlböck, P. (2008).

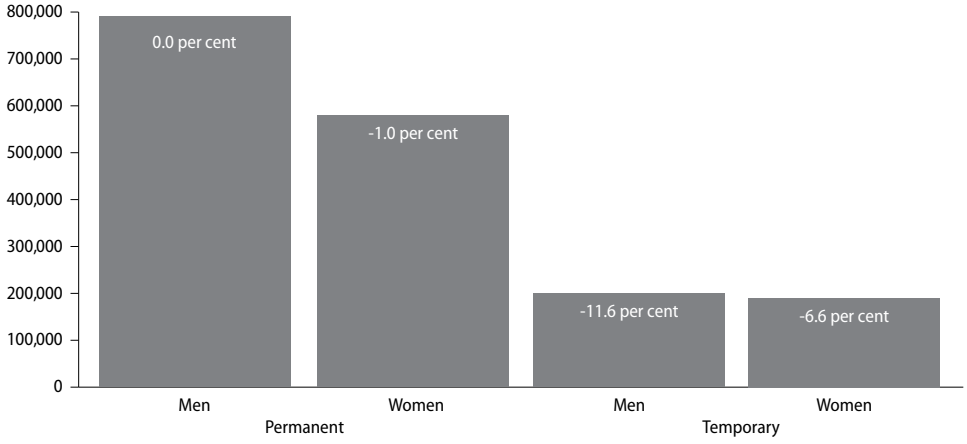
7.128. The remainder of the present section offers illustration of derived measures of some special aspects of employment in the tourism industries produced by countries with advanced systems of tourism statistics.[59]

7.129. Spain collects data and prepares tables and charts on employment in tourism industries by type of contract see Figure VII.5. The Canadian Tourism Labour Market Information System carries information that permits the profiling of persons employed in Canadian tourism industries according to a number of demographic characteristics, such as school attendance, mother tongue, place of birth and equity groups (see Box VII.18). For example, in 2006, Canada's workers in tourism workforce, were slightly more likely to be members of visible minorities than workers in Canada's overall workforce.[60]

[59] See also World Tourism Organization and International Labour Organization (2014).

[60] Meis, S. (2014).

Figure VII.5
Workers by sex and type of tourism contract, fourth quarter of 2012: example of Spain



Source: Compiled based on data from Encuesta de Coyuntura Laboral (ECL) (Short-term labour survey) (Spain, Ministry of Employment and Social Security, 2013.)

7.130. 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[61] compared with those employed for workers in the overall economy. In the determination of unemployment rates, industry classifications North American Industry Classification System (NAICS) at the four-digit level are based on the most recent job held within the past year, which is self-identified by the respondent. Examples of questions to be used in identifying tourism unemployment are given in Annex III (questions 61-63).

[61] As determined by the Canadian Tourism Satellite Account, the North American Industry Classification System (NAICS) industries in the 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.

Box VII.18
Demographic characteristics of persons employed in tourism industries: example of Canada

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.

Box VII.18

Demographic characteristics of persons employed in tourism industries: example of Canada

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.

	Canada	Tourism sector	Accommodation	Food and beverage services	Recreation and 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 of age	15.0%	32.8%	22.8%	48.1%	27.3%	5.4%	11.8%
25-34 years of age	19.9%	18.5%	19.9%	17.8%	20.7%	15.5%	24.6%
35-44 years of age	24.6%	18.6%	20.2%	14.8%	19.8%	25.5%	25.1%
45 years and over	40.5%	30.2%	37.1%	19.2%	32.2%	53.6%	38.5%
PLACE OF BIRTH							
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 (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 LEVEL							
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 (2009).

[a] Collège d'enseignement general et professionnel (general and vocational college).

F. Methods for collecting data on specific issues related to employment

F.1. Methods of data collection

7.131. Statistics on working time can be collected through statistical censuses and surveys of households and establishments and through access to administrative registers.

7.132. When possible and pertinent, the use of a combination of data sources may be preferable for meeting user requirements such as coverage, scope, response rates, sample size, response burden and costs and evaluating the quality of statistics obtained.

7.133. 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 those used for the statistics collected, inter alia, for employment, wages and labour costs.

7.134. **Household-based surveys** are well suited for the collection of data:

a) On hours actually worked and hours usually worked, on formalized working-time arrangements and the characteristics of arrangements. They may also be used to produce statistics on hours paid for, or normal or contractual hours;

b) For all persons working and all jobs, including in informal employment, household service and volunteer work;

c) For a short reference period such as a day or a week and when the survey is continuous and for a long reference period such as a month or a year;

d) For persons individually and for the economy as a whole.

7.135. **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 be used to 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, on averages for groups of jobs or for the establishment as a whole.

7.136. The importance of the working-time variable is demonstrated by the extent of its measurement in the Labour Force Survey of Lithuania, where 14 questions are asked for the purpose of collecting data on various concepts of working time (see Annex III, questions 13-16, 24, and 38-46).

F.2. Collecting information on working-time arrangements, informal employment and employment in the informal sector

7.137. 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

surveys can cover all information with regard to the related aspects of working-time arrangements, informal employment and employment in the informal sector.[62]

7.138. 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.

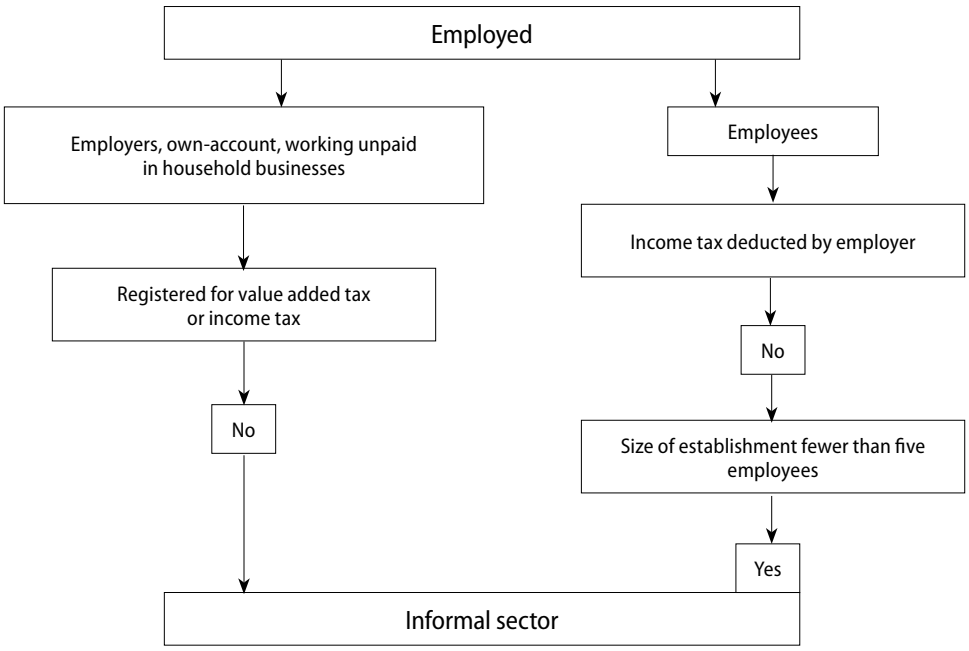
7.139. As a general approach, the following should be kept in mind:

- Use the Labour Force Survey, when the objective is to monitor informal sector employment in tourism industries, i.e., number and characteristics of persons involved, and conditions of employment and work. Periodicity: annual or more frequent (if possible).
- Use the informal sector survey (enterprise-based surveys) or mixed household enterprise surveys when the objective is to measure, number and characteristics of informal sector enterprises in tourism industries: e.g., employment, production, income generation, organization and functioning, constraints and potentials. Periodicity: every five years (if possible).

7.140. Figure VII.6 illustrates a two-track approach to identifying persons employed in informal sector enterprise/establishment. Box VII.19 presents questions from a household survey.

[62] For a comprehensive description of concepts, definitions and methods of data collection on employment in the informal sectors, see International Labour Organization (2012b), *Measuring informality: A Statistical Manual on the informal sector and informal employment*, available at http://www.ilo.org/stat/Publications/WCMS_222979/lang--en/index.htm (30-05-2014).

Figure VII.6
A two-track approach to identifying persons employed in informal sector enterprises and establishments: example of South Africa



Box VII.19
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 questions 18, 19 or 20 is "No".

Source: Adapted from Republic of Moldova, Labour Force Survey Questionnaire.

F.3. Collecting information on occupations

7.141. For accurate coding to any level of ISCO-08 (as describe in sect. D.1.1 of the present chapter) and related national classifications, information is needed on the following:

- Name and title of occupation
- Main tasks and duties usually performed in the job

7.142. The questions (in Box VII.20) are suggested as a starting point in the development of a national approach towards the collection of occupation data (see also Annex IV entitled: "Australian: Survey of Employees Earnings and Hours, 2012" (questions 5 and 6)).

Box VII.20
Questions 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
- Hotel manager
- Youth hostel manager
- Fast-food cook
- Executive chief
- Saucier

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 preprepared foods and beverages such as sandwiches, hamburgers, pizzas, 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

Source: Adapted from International Standard Classification of Occupations (ISCO-08)

F.4. Collecting information on status in employment

7.143. With regard to the International Classification of Status in Employment (ICSE-93), introduced in section D.1.3 above, 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 that employees with stable contracts be distinguished 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 that regular employees be distinguished 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. Illustrative examples in this regard are given in Annex III (questions 17 and 24-27).

Source: Quarterly Labour Force Survey South of Africa (Pretoria, Statistical Office of South Africa, 2007).

- In the case of self-employment, different types of jobs are distinguished according to the type of authority the workers in those jobs 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. For example, 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. Contributing fam-

ily workers cannot be regarded as partners in the operation of the productive unit because their degree of commitment to the operation of the unit, in terms of working time or other factors, is not at a level comparable with that of the head of the enterprise.

7.144. 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 must 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.

7.145. In reality, however, a number of situations may not easily fit into one category. ICSE-93 provides a listing of special subcategories 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 for self-employment are the owner-managers of incorporated enterprises, who, from a contract perspective, are employees but from an authority perspective can be seen as employers; and contractors, outworkers (homeworkers) and franchisees, who, from an authority perspective may frequently be seen as being in a situation similar to that of employees. Important for paid employment are casual workers and seasonal workers.

F.5. Collecting information on remuneration

7.146. With respect to analysing the monetary aspects of labour, e.g., compensation of employees, labour cost and mixed income (see sects. D.2.3-D.2.5 above), the unit for which data are collected should be the establishment, where possible, rather than the enterprise or firm, to the extent that the accounting system used enables a multi-establishment enterprise to supply data for each establishment.

7.147. The observation period in comprehensive labour cost surveys should cover the 12 months of the calendar year, whenever possible (if not, the usual accounting year should be used) so as to take account of expenditures that occur only annually or irregularly.

7.148. 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, owing to changes in social legislation or other factors, 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.

7.149. In addition, countries may conduct special establishment-based surveys or studies to collect industry-specific data on wages or compensation of employees, such as the Canadian Tourism Sector Compensation Study. Another possibility may be the use of integrated/combined data sets such as the SNA (see sects. E.1-E.4 above).

7.150. 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.

7.151. The choice of an accounting technique for measuring 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;

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.

7.152. 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.

7.153. 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.

7.154. 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.

7.155. The collection of data on income related to self-employment should be based on the regular national statistical programmes, using all available sources, including the SNA.

7.156. One such source could be general or specialized household surveys with individual household members as observation units.

7.157. 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

The present chapter covers a number of cross-cutting topics which are relevant for the organization of the statistical process resulting in the production of official tourism statistics. More specifically, it adapts these elements to focus on the development of a national System of Tourism Statistics. The chapter focuses on the following topics: quality management and quality reporting (sect. A), metadata (sect. B), dissemination of data and metadata (sect. C) and institutional arrangements (sect. D). The concepts and good practices described reflect the recommendations included in IRTS 2008, as well as the more recent recommendations of the United Nations Statistical Commission on these topics, and the experiences of countries.

A. Quality management and quality reporting

8.1. Ensuring the quality of the data provided and to producing and disseminating metadata constitute an intrinsic part of any process of producing statistics. These functions need to be implemented gradually once a regular process of generation of statistics has been set up. In this regard, it is recognized that countries with less-advanced statistical systems may find the immediate implementation of all or most of the concepts and good practices promoted in the present chapter a difficult undertaking. 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 that are most relevant and feasible under the country's specific circumstances. A more comprehensive implementation can be regarded as a longer-term objective in the context of the strengthening of national Systems of Tourism Statistics.

A.1. Quality management: an overview of basic concepts and definitions

8.2. The concept of the quality of tourism statistics, including a description of the dimensions of quality, as introduced in IRTS 2008 (chap. 9, sect. A), reflects the common approach adopted by the statistical community. This approach is based on the definition of quality as "fitness for use" (IRTS 2008, para. 9.2). IRTS 2008 provides a description of the prerequisites of quality and recommends the adoption of 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 the definitions of these dimensions.

8.3. After the publication of IRTS 2008, the Statistical Commission continued its work on issues relevant to quality measurement and management. In particular, the Commission, at its forty-third session, endorsed the generic national quality assurance framework (NQAF) template;[63] and at its forty-second session, the Commission welcomed the comprehensive draft guidelines on integrated economic statistics.[64] The NQAF and the Guidelines on Integrated Economic Statistics, issued in 2013 as

[63] See *Official Records of the Economic and Social Council, 2012, Supplement No.4* (E/2012/24), chap. I, sect. B, decision 43/110.para. (b).

[64] Ibid., *2012, Supplement No.4* (E/2012/24), chap. I, sect. B, decision 42/106, para. (b).

a United Nations publication, are seen by the Commission as applicable in all areas of official statistics. NQAF comprises all the quality dimensions of tourism statistics recommended for adoption in IRTS 2008 and 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 are 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 glossary of the NQAF and to apply them in practice, so as to ensure better cross-country and cross-domain comparability of the quality assessment of tourism statistics.

8.4. Examples of two very important quality dimensions for tourism statistics are coherence and consistency. These are defined in Box VIII.1, where their relevance to tourism statistics is explained. The objective in checking for coherence and consistency is to identify and explain differences and to then 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 decisions that follow.

8.5. Quality management should be a top priority of the national body responsible for official tourism statistics. It includes quality assurance (through activities that can instill confidence that the processes will fulfil 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 VIII.1
Coherence and consistency of tourism statistics

Coherence is defined as the adequacy of statistics to be combined in different ways and for various uses. When they originate from different sources and in particular from statistical surveys using different methodologies, statistics will often not be completely compatible and will exhibit differences resulting from different approaches, classifications and methodological standards. There are several groups between which the assessment of coherence is regularly conducted: provisional and final statistics, annual and short-term statistics, statistics from the same socioeconomic domain, and survey statistics and national accounts. The concept of coherence is closely related to the concept of comparability between statistical domains. The terms "coherence" and "comparability" both refer to the relation between two a data sets. The difference between the terms lies in the fact 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. An estimator is deemed consistent if it converges in probability to its estimand as sample size increases (see International Statistical Institute, The Oxford Dictionary of Statistical Terms). Consistency over time within data sets and across data sets, often referred to as intersectoral consistency, is a major aspect of this dimension. In each case, 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 entails 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 the area of tourism statistics (see Word Tourism Organization, "Coherence and consistency in tourism statistics: an overview").

- 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: (a) integration of tourism statistics in the Tourism Satellite Account (TSA) and thus with the national accounts and (b) comparison of tourism statistics and the balance-of-payments "travel" and "passenger transport services" items.

Sources: Statistical Data and Metadata eXchange (SDMX) and World Tourism Organization (2014).

8.6. Quality assurance lies at the core of quality management and various experiences at national and international levels have been accumulated in this regard over recent years. Regarding quality assurance for the process of production, NQAF identifies four components, which are fully applicable in tourism statistics: *(a)* assuring methodological soundness, *(b)* assuring cost-effectiveness, *(c)* assuring soundness of implementation and *(d)* managing the respondent burden. In tourism statistics:

a) **Methodological soundness** is assured through the use of sound statistical methodologies based on internationally agreed standards, like those included in IRTS 2008 and the good practices described in the present Compilation Guide;

b) **Cost-effectiveness** is assured through such activities as implementation of standardized solutions, for example, 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 cost-benefit analyses to determine the appropriate trade-offs in terms of data quality;

c) **Assuring soundness of implementation** entails 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;

d) **Managing the respondent burden** is guided by an 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 important in the context of the declining response rates in surveys, which result in lower quality of data and increase the cost of surveys.

8.7. Regarding quality assurance of tourism statistical outputs, the NQAF lists six groups of activities comprising quality assurance of statistical outputs which are applicable in the context of tourism statistics, namely:

a) **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 highest priority needs under given resource constraints. Relevance can be assured, for example, by consulting users with respect to the content of the work programme and establishing an advisory council to be consulted on overall statistical priorities;

b) **Assuring accuracy and reliability of outputs.** This involves, for example, assessing and validating the source data, comparing the data obtained with other existing sources of information, identifying clearly preliminary and revised data, and providing explanations about timing, reasons for and nature of revisions;

c) **Assuring timeliness and punctuality.** This entails, inter alia, a clear definition and dissemination of timeliness targets and amendments of such targets in respect of release policy, including distinguishing between different kinds of statistical outputs (e.g., press releases, specific statistical reports or tables and general publications) and the procedure for their release, 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 and clear identification of preliminary data so that users are provided with appropriate information for assessing the quality of the preliminary data;

d) **Assuring accessibility and clarity.** This includes such activities as the release of tourism statistics with readily accessible and up-to-date metadata, consistent annotation of any differences from the recommendations in IRTS 2008, use of modern information and communications technologies for dissemination (e.g., online database), enabling users to generate their own tables in the most appropriate formats and consulting users on a regular basis to determine which formats of dissemination they most prefer;

e) **Assuring coherence and comparability.** This entails, for example, cooperation and the sharing of knowledge between individual statistical programmes and domains to ensure that outputs obtained from complementary sources can be properly combined, clear identification and explanation of breaks in the series, and provision of methods for ensuring necessary data reconciliation.[65]

f) **Managing metadata.** This encompasses activities that enable the user to understand tourism statistics, including their limitations, for informed decision-making (see sect. B).

[65] World Tourism Organization (2014), Coherence and Consistency in Tourism Statistics: An Overview, available at http://statistics.unwto.org/content/papers (30-05-2014).

A.2. Quality measurement and reporting

8.8. Quality management of tourism statistics requires that countries undertake steps to measure quality and report the results of such measurements to all participants in the statistical process and the general public. It is 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.

8.9. Countries are advised to develop a standard for regular tourism statistics quality reports which covers the full range of statistical processes and their outputs and uses the quality dimensions listed in the present 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 the statistical process and the quality of statistical output. Both perspectives are important.

8.10. Countries should assess the strengths and weaknesses of the statistical process (data collection, processing and dissemination) and identify additional

activities that 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 a particular tourism statistics data set is a direct quality measure. One 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 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 assessments of tourism statistics, UNWTO intends to publish a list of suggested measures and indicators.

B. Metadata

B.1. Metadata: an overview of basic concepts and definitions

8.11. In statistics, metadata are data that describe statistical data, including the data sources and tools that were used (e.g., statistical standards and classifications, business registers and frames, statistical methods, procedures and software).[66] The importance of metadata has been recognized by UNWTO since 2005 with the issuance of the publication entitled *Tourism Statistics Metadata Project: General Guidelines for Documenting Tourism Statistics*. In its Regional Capacity Building Programmes, UNWTO has consistently emphasized the importance of documenting existing national statistical processes, with three objectives in mind:

a) To help each country develop good-quality knowledge and evaluate the available data as a necessary step towards decision making related to setting up new observation processes;

b) To provide users with information on the available tourism statistics and on the processes through which they have been obtained;

c) To generate the information that is required to make international comparisons possible and meaningful.

[66] ISO/IEC, FDIS 11179-1 (2004), *Information technology – Metadata registries – Part 1: Framework*, available at http://www.iso.org/iso/iso_catalogue/catalogue_tc/catalogue_detail.htm?csnumber=35343 (30-05-2014) and United Nations (2013), Guidelines on Integrated Economic Statistics, available at http://unstats.un.org/unsd/nationalaccount/ies/ (30-05-2014).

Box VIII.2
The Statistical Data and Metadata Exchange (SDMX) standard

In 2008, at its thirty-ninth session, the Statistical Commission reviewed the concepts and definitions compiled as part of the Statistical Data and Metadata eXchange (SDMX) project and recognized and supported SDMX as the preferred standard for the exchange and sharing of data and metadata and encouraged its further implementation by national and international statistical organizations. See Official Records of the Economic and Social Council, 2008, Supplement No. 4 (E/2008/24), chap. I, sect. B, decision 39/112. Pursuant to the Commission's 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 the SDMX standard.

The definitions of many of the metadata-related concepts referred to in this chapter can be found in SDMX content-oriented guidelines (2009), annex 4, entitled "Metadata common vocabulary".

Source: Statistical Data and Metadata eXchange (SDMX).

8.12. 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, countries are advised to treat the compilation of metadata and their subsequent dissemination as an integral part of the statistical process in any field of statistical work and to promote the standardization of compilation and dissemination of metadata. This advice is especially important when several organizations are involved in the process of statistical production, as is normally the case in tourism statistics.

B.2. Main components of metadata

8.13. Metadata consist of structural metadata and reference metadata. Without structural metadata, which are generally understood to be metadata that act as identifiers and descriptors of data, it would be impossible to identify, retrieve and navigate comprehensive data sets. Further:

a) **Structural metadata** can be thought of as "labels or short texts" which need to be associated with each data item in order for that data item to have a meaning;

b) **Reference metadata** are of a more general nature and include *(a)* "conceptual" metadata, which describe the concepts used and their practical implementation, thereby 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 and editing processes); and *(c)* "quality" metadata, describing the different quality dimensions of the resulting statistics (e.g., timeliness and accuracy).

8.14. Metadata systems comprise the tools and methods designed for storing, processing, retrieving and disseminating metadata. In statistically advanced countries, a metadata system may include such components as a concepts database, a classification database, an 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 data sets, or in the production of other metadata.

8.15. There has been a growing recognition of the importance of metadata among the community of tourism statisticians. However, in many countries, metadata due attention has not yet been paid to tourism statistics metadata. The common problems associated with tourism statistics metadata systems include the following:

a) A full set of the concepts and definitions actually used in a country's tourism statistics is not always available or disseminated;

b) The description of data sources and the organization of the statistical process are not detailed enough for a comprehensive evaluation of the quality of statistics;

c) Tourism statistics metadata are often stored in different files and formats (e.g., in a set of notes embedded in MS Access, Excel and Word files) specific to the particular sets of tourism statistics, which are then not easily accessible to all participants in the tourism statistics production process. Such a fragmented approach to storage creates inefficiency and is error-prone.

8.16. 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 Compilation Guide and other relevant international guidelines.[67]

[67] See, for example, Organization for Economic Cooperation and Development (2007), *Data and Metadata Reporting and Presentation Handbook*, available at http://ec.europa.eu/eurostat/ramon/coded_files/OECD_data_metadata_report_handbook_EN.pdf (30-05-2014).

B.3. Linking structural and reference metadata

8.17. The structural metadata in tourism statistics provide identifiers and descriptors of data. Without the associated metadata, any data item (e.g., a specific number) becomes meaningless and cannot be used.

Box VIII.3
A simple numerical example of metadata

To treat any number, say, 10, as part of tourism statistics would require its association with certain minimal metadata items. A comma-delimited record, combining data and metadata items, created to achieve this goal might resemble the following (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: World Tourism Organization.

8.18. Structural metadata should always be linked to reference metadata in order that a full explanation of the underlying concepts and methods used in data compilation may be provided (e.g., the basis for determination of the country of residence and the degree of accuracy the number 10).

8.19. The required structural metadata can be determined on the basis of the recommendations contained in IRTS 2008 and in the preceding chapters of this Compilation Guide. Examples of a list of of structural metadata items are presented in Table VIII.1 and Table VIII.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 VIII.1
Structural metadata for use in data sets on tourism trips and characteristics of visitors

Metadata item	Description of possible values of metadata item
Form of tourism	Inbound tourism, outbound tourism, domestic tourism, internal tourism, national tourism, international tourism
Unit of measurement	Number of arrivals, number of departures, number of visits
Multiplier	Thousand, million, e.g.
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 1997
Travel party size	Number
Country of residence	Any in United Nations Standard Country or Area Codes for Statistical Use
Country of destination	Any in United Nations Standard Country or Area Codes for Statistical Use
Territorial unit	Territorial unit according to the national classification of territories and 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 VIII.2
Structural metadata for use in data sets on tourism expenditure

Metadata item	Description of possible values of metadata item
Forms of tourism expenditure	Inbound tourism expenditure, outbound tourism expenditure, domestice tourism expenditure, internal tourism expenditure, national tourism expenditure, international tourism expenditure
Categories of tourism expenditure	Classification of categories of tourism expenditure: IRTS 2008, paragraph 4.26
Unite of measurement	National currency
Multiplier	Thousand, million, e.g.
Reference period	Month, quarter, annual
Country of origin	Any in United Nations Standard Country or Area Codes for Statistical Use
Country of destination	Any in United Nations Standard Country or Area Codes for Statistical Use

8.20. The main components of tourism statistics reference metadata are:

a) **Concepts and definitions used in national tourism statistics,** including definitions of particular data variables, and any deviations from IRTS 2008;

b) **Classifications applied and correspondence tables,** including correspondence tables between national or regional classifications and classifications recommended in IRTS 2008;

c) **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 and availability; description of the methods used to validate the data and ensure their internal and external consistency);

d) **Description of data compilation procedures** (e.g., description of specific procedures used for 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);

e) **Description of dissemination policy,** including coverage of the disseminated data, data release and revision schedules and confidentiality rules (see sect. C below for details);

f) **Description of the disseminated data variables** (including a list of such variables and their periodicity);

g) **Quality measures and indicators** (see para. 8.10).

B.4. Compilation of tourism statistics metadata

8.21. Countries are encouraged to compiled metadata in the course of the process of statistics production, and metadata should be used to ensure consistency of the resulting data. Nevertheless, in the setting up of new statistical processes, a 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:

a) As an initial step, begin by identifying all possible existing data sources. Compile an inventory of all sources that are related to tourism statistics and that 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 publication entitled *Tourism Statistics Metadata Project: General Guidelines for Documenting Tourism Statistics*;

b) While developing tourism statistics metadata, make use, as appropriate, of the metadata concepts and definitions that have been defined in line with IRTS 2008;

c) 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 to review such metadata carefully and make use of them, as necessary;

d) Establish metadata registries. A metadata registry is a central repository, preferably formatted as a database, which allows linkage of the metadata items used in the descriptions of particular statistical data set;

e) Incorporate structural metadata items into the data processing as early as possible. It is advisable for structural metadata to be made an integral part of the national tourism statistics database, so that they can be extracted together with any data item and used in data processing to enable meaningful combined data sets to be obtained;

f) Presentation of reference metadata. Reference metadata can be presented as detailed explanatory notes describing the scope, coverage, and quality of data and made available electronically alongside the database or in special publications;

g) 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 sect. D below).

C. Data and metadata dissemination

8.22. The importance of the dissemination of statistical information lies in the fact that the availability of official statistics to users is one of the bases for public confidence in good government, as such statistics can inform debate and decision-making

both by Governments and by the wider community. This is highlighted in the United Nations Fundamental Principles of Official Statistics. Pursuant to 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.

8.23. Based on the recommendations of the Statistical Commission in respect of related statistical domains and on accumulated experiences, this Compilation Guide advises countries to adopt the following general good practices:

a) 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;

b) 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 very nature, are based on relatively limited data content and will be replaced by more accurate, albeit less timely, figures at a later date;

c) 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 (especially data available online) should be made free of charge as much as possible. However, in cases where additional costs are significant (e.g., in the 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;

d) Publish an advance release schedule. Users will have more confidence in the integrity of tourism statistics if those statistics are disseminated according to a published advanced release schedule. For major statistical releases, it is often helpful to organize press briefing events;

e) 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;

f) Ensure coherence and consistency of disseminated data (see Box VIII.1 for details);

g) 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;

h) Assert the 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 minimize the impact of such negative occurrences and assert the integrity and credibility of tourism statistics;

i) Ensure statistical confidentiality. Statistical confidentiality refers to the protection of information on individual statistical units and should be differentiated from other forms of confidentiality under whose requirements information is not disseminated owing to other factors, for example, national security concerns. This Guide advises application of the rules on data confidentiality adopted in the national statistical system to the dissemination of tourism statistics and the use, as applicable, of the general international guidelines developed for statistical disclosure control of microdata.[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;

j) 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 must be disseminated in ways that facilitate redissemination by mass media, while more comprehensive or detailed statistics intended for researchers should be disseminated through online 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]

k) Aim towards an integrated presentation of statistics on tourism demand and supply. Users expect that tourism statistics will cover both tourism demand and tourism supply and that they will be presented as a coherent data set. To meet this user expectation, it is a good practice for such an integrated presentation to 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 transportation items). In this connection, close cooperation with compilers of BOP and statistics on trade in services is important;

l) Develop a data revision policy which 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 (this 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, policy implementation should be practical and the policy should itself be revised as necessary.

8.24. Regarding the dissemination of data to UNWTO and 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 recog-

[68] United Nations Economic Commission for Europe (2007), Managing Statistical Confidentiality and Micro data Access: Principles and Guidelines of Good Practice, available at http://www.unece.org/fileadmin/DAM/stats/publications/Managing.statistical.confidentiality.and.microdata.access.pdf (30-05-2014).

[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) allow to queries to be made easily and with a user-friendly interface over the entire database and query results to be downloaded 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.

nized 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

8.25. Ensuring proper governance[70] of the statistical process is critical for successful compilation and dissemination of official tourism statistics owing to the interdisciplinary character of that process. Therefore, establishing a set of agreements on the division of the responsibilities among the institutions involved is absolutely essential. Such agreements are generally referred to by the United Nations 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.

[70] In general, governance is understood as the exercise of the 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*.

8.26. The success of an IIP depends on the existence of a clear division of responsibilities and a mutually beneficial cooperation among 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:

a) Rising cost consciousness. In this regard, the parties should focus on their respective areas of expertise, making use of existing data and assuring consistency of statistical material;

b) 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 with which NSOs usually have more experience;

c) The fact that a TSA is compiled on the basis of the System of National Accounts, which, in most countries, is the responsibility of the NSO.

8.27. 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 "stovepiping". This is where the statistical process is organized along numerous independent and uncoordinated production lines and each statistical output is managed from beginning to end within a separate division or a entity, each with its own concepts and classifications (which may be poorly related to the needs of other fields of statistical work), unique sampling frame, survey design and data compilation system. Stovepiping diminishes the efficiency of statistical processes by making it difficult to develop and use consistent concepts and classifications and sampling frames, and application of the statistics produced in other statistical domains, thus impairing the quality of official statistics in general. Stovepiping is an issue that, unfortunately, many countries face in tourism statistics compilation: the involvement of many organizations with frequently conflicting priorities makes it difficult to agree on the implementation of common concepts, definitions, classifications and data-collection and data-compilation procedures.

8.28. 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 that details a long-term plan for the development of the System of Tourism Statistics (ideally integrated into the national plan or strategy for the development of statistics), as well as the role and responsibilities of the Inter-institutional Platform and its constituents.

8.29. In cases of a weak legal basis 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. Experience derived from involvement with such arrangements may actually play an important role in the initiation of the activities aimed at improving the existing legal framework.

8.30. The United Nations Statistical Commission systematically promotes an integrated approach to official statistics and sees the establishment of institutional arrangements as a prerequisite for the success of such efforts. Since the adoption of IRTS 2008, the Statistical Commission has 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 on Statistics on International Trade in Services* will provide additional guidance on institutional arrangements.[72]

8.31. The Statistical Commission recognized that it is neither possible nor desirable to promote a single type of institutional arrangement, as national statistical systems are different. Further, this Guide acknowledges that different institutional arrangements may result in adequate tourism statistics, provided that such arrangements promote the compilation of tourism statistics on the basis of internationally recognized methodology and data compilation guidelines, as set out in IRTS 2008. At the same time, it should be noted that the various types of institutional arrangements are not equally effective.

[71] The most important recent United Nations instruments in this connection are the Guidelines on Integrated Economic Statistics and the national quality assurance framework.

[72] This will be of great relevant to 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

8.32. Section D of chapter I 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 is also a key member, especially if the central bank is running its own data-collection system with respect to the travel and transportation items of the balance of payments[73] (see also paras. 1.32-1.33).

8.33. In addition, close cooperation should also be sought with other stakeholders such as immigration and border protection authorities, customs administrations, ministries of trade and economy, ministries of finance and taxation, and the private sector (chambers of commerce or other representatives of a country's tourism sector).

[73] It should be noted that in several countries (e.g., Austria, Australia, Canada and Norway) compilation of the BOP (or parts of it) is the responsibility of the National Statistical Office.

8.34. **The National Tourism Administration** is both a major user and an important producer of tourism statistics as well as the key governmental agency providing political leadership and support for the development of tourism statistics. It has an essential role to play because of its 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 the technical and statistical capabilities of other agencies, like the National Statistical Office, in setting up, coordinating and managing complex statistical operations (e.g., surveys and the compilation of a full set of TSA tables).

8.35. **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, the experience of the NSOs 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 also is the fact that NSOs are in charge of the national accounts, meaning that any efforts towards producing a Tourism Satellite

Account as part of the development of the System of Tourism Statistics, need to be integrated in or at least closely aligned with their programme of work in the long run.

8.36. **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 providing data to international organizations, (particularly to the IMF) enable them to exert 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 process in motion and/or significantly improving its functioning and obtaining the required results.

8.37. **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 cards, although they do not process them. 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 the quality of tourism statistics. Also, such cooperation is very important for 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.

8.38. **Representatives of the private sector** are not only key users of tourism statistics and a main focus of tourism policy, but they can also assist in the data-collection process by informing tourism enterprises of the importance of timely and accurate reporting of the requested information on their activities, and promote the use of modern information technology in such reporting. They can support the communication between tourism statistics producers and the tourism sector in both survey design and in the interpretation of results. For example, hotel associations might help collect information on the availability of rooms and beds and the occupancy rates among their members.

8.39. Other members will also have a role 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 the geographical, or to for example specific subject areas or activities. For example, ministries of education and health might be helpful in collecting data on specific categories of visitors. Ministries of trade and the economy might encourage improved measurement of tourism if they witness the implications for their own policy areas; and the ministries of finance and taxation might have to be on board to ensure adequate long-term funding. Moreover, in countries with a decentralized government, as some decisions related to tourism statistics might be taken by subnational administrations, their involvement becomes crucial.

8.40. Various private consultancy groups might provide some insights and technical expertise in respect of modelling missing data. However, UNWTO does not recommend outsourcing the development of the System of Tourism Statistics (including tourism statistics and the TSA) to private contractors. Although this might seem more efficient in terms of procuring rapidly certain data that could be used in the political sphere, such a procedure could hinder attainment of the objective of national capacity-building and limit the sustainability in time of efforts to continue and improve the system. Nevertheless, some specific jobs might still be assigned to consultants; however, this should always be the technical responsibility of an official national institution.

D.3. Characteristics of effective institutional arrangements

8.41. The United Nations Statistical Commission consistently encourages countries to ensure that institutional arrangements possess certain characteristics that enhance their effectiveness. These characteristics are of a fundamental importance to tourism statistics and include the following:

a) Coverage by the totality of the collective responsibilities of the agencies involved in a given statistical domain of all the stages of the statistical process—from the identification of user needs through the collection of raw data to data compilation and dissemination and evaluation of disseminated statistics;

b) An unambiguous definition of the rights and responsibilities of all involved agencies in order to avert misunderstandings, duplication of work or omission of some significant work elements;

c) The laying out in proper fashion of the working arrangements between agencies in a memorandum of understanding (MoU) or a similar document. An important benefit of the MoU is that it serves as a mechanism for informing agencies in adavance about changes of administrative procedures or statistical processes which could affect the quality of the data used for the production of statistics, thereby making inter-agency cooperation more predictable;

d) The informal agreements between the responsible units of the involved agencies are maintained to ensure necessary flexibility;

e) 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 the 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 enquires. This raises the users' confidence in data quality and promotes a wider and more effective data use;

f) Inclusion of the main user groups in the institutional arrangements and their active participation in setting and monitoring the production and dissemination of statistics.

8.42. The efficiency of institutional arrangements is further enhanced if the responsible body has an appropriate mandate and executes it effectively. It is a good practice if the responsible body: *(a)* adopts a strategic approach to planning its work that involves multilevel planning activities and *(b)* implements efficient process management, beginning with the identification of data sources, followed by data collection and processing and ending with dissemination of outputs in various user-friendly formats (see Box VIII.4).

[74] A memorandum of understanding is a legal document that outlines the terms and details of an agreement among agencies, including each party's requirments and responsibilities. See also IRTS 2008, para. 9.30. It should be noted that the documentation of the agencies' responsibilities relevant to tourism statistics may be part of a broader MoU among the concerned agencies, covering other areas of cooperation and other statistical domains.

Box VIII.4
Efficiency through use of 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 informa-

tion, 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, such as 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: United Nations (2003), paras. 423-424.

D.4. Structure and organization of work

8.43. This Compilation Guide advises countries to review the good practices described below and implement them as applicable, taking into account the specificity of their national statistical systems. The practices described might be of particular interest to countries that are at the early stages of the development of their System of Tourism Statistics. These practices include the following:

a) Specific formal agreements should be established between the NTA, the NSO and other institutions that are relevant in each national situation. These agreements should cover, inter alia, such topics as (i) responsibility for developing methodology, including the incorporation of the international recommendations contained in IRTS 2008 and TSA: RMF 2008; (ii) timing of the conduct of particular data-collection activities; (iii) resources involved and cost-sharing in data-collection and dissemination of the official tourism statistics; (iv) rules of access to the survey results and microdata (including data anonymization) and relevant administrative records enabling the production of the necessary aggregates while preserving the confidentiality of individual data; and (v) quality standards. The agreements should cover not only governmental agencies, but also relevant private organizations;

b) 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 and the technical. The higher (political) level body, which could carry the name of council, board or commission, would include the heads or deputies of the concerned bodies and would be chaired by the minister of tourism or his equivalent. The main responsibilities of the political-level body 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. This body would review and give its approval to the results obtained at the different stages of the tourism statistics and TSA production process and then formulate and monitor the implementation of the dissemination policy for tourism statistics;

c) The technical-level body, which could carry the name of "technical committee" or one 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, and 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 deem him or her fit to occupy this position. This person would be in charge of advising at the political level, and of the implementation and translation into technical terms of its programme of work. This technical-level body should design a long-term plan for the development of the System of Tourism Statistics which is to be presented to the political-level body for its approval and political follow-up. Further, cooperation of different areas within the NTA (e.g., including a minister or equivalent, the head of the unit in charge of tourism statistics or the head of research/analysis) and the NSO (e.g., including the chief statistician or the equivalent, or the head of the unit in charge of tourism statistics, national accounts or business statistics) would be crucial in that respect;

d) In addition, the technical-level body may choose to form ad hoc technical working groups according to the different topics to be addressed. Creating these as needed, it should appoint their members and chairs, provide guidelines for their operations and specify expected output. The working groups would report to the technical-level body which would reports in turn to the political-level body. The working groups would comprise technical staff specializing in various relevant topics of interest and affiliated with the different institutions included in the IIP. Each of these ad hoc working groups would be chaired by the staff providing the best conditions for support of its operation according to the institution to which he or she belongs, or his or her personal capability and past experience in the matter at hand. The institutional links of staff hired specially for the project should be clearly established.

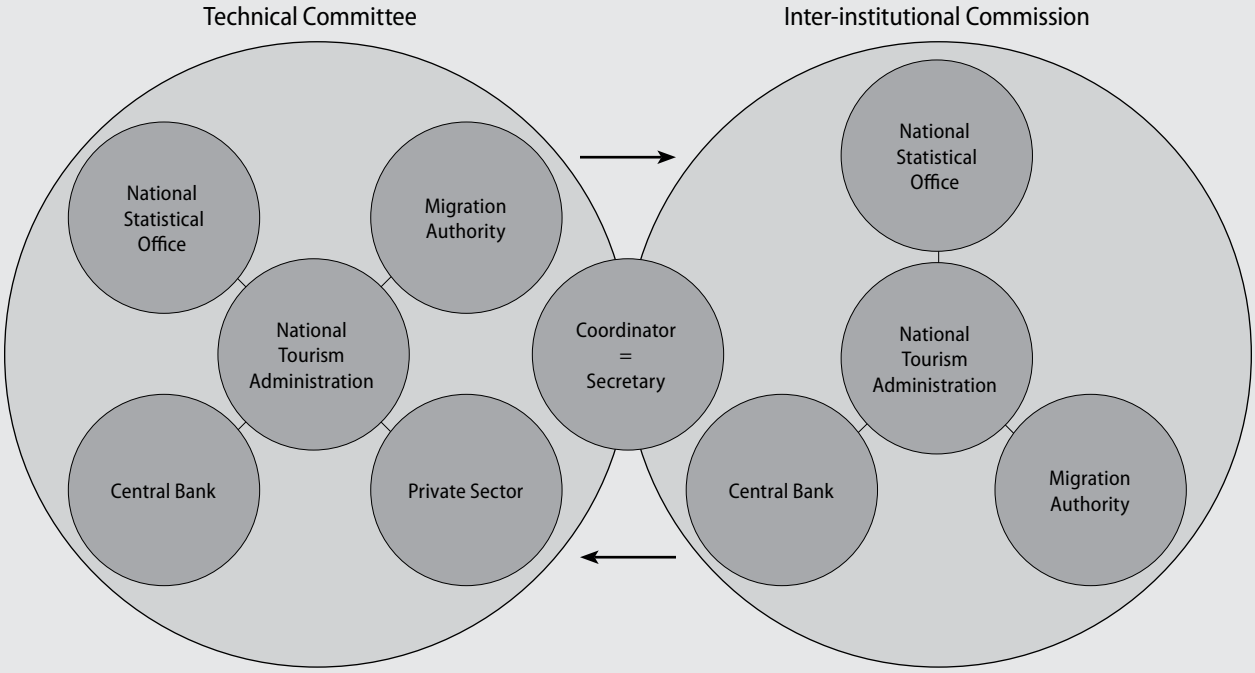
8.44. It should be noted that, as regional cooperation in tourism statistics is a highly important initiative, the UNWTO fully endorses its strengthening. In this connection, countries might wish to consider establishing regional inter-institutional political and technical bodies which would meet periodically, discuss common issues and agree on the terms of mutual assistance (see also Box VIII.5). 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 improve significantly 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.

8.45. The country experiences in institutional arrangements are diverse. Box VIII.6 and Box VIII.7 briefly describe coordination among different agencies and the work of an Inter-institutional Platform in the Philippines and Canada, respectively. Readers who are interested in more detailed information are encouraged to consult the future e-document for this Compilation Guide, to be available from the UNWTO website.

Box VIII.5

The example of MERCOSUR set-up of an Inter-institutional Platform

The Inter-institutional Platform set-up illustrated below is what emerged from the "Harmonization of the System of Tourism Statistics in the countries of the Southern Cone" project, which involved Argentina, Brazil, Chile, Paraguay and Uruguay and was supported by the Inter-American Development Bank and the World Tourism Organization.



Note: The Migration Authority is extensible to any institution which possesses and has the potential to provide information that could be relevant to the System of Tourism Statistics (e.g., airports and ports, and the tax authority).

The function of the **Technical Committee** is to periodically evaluate compliance with the development plan, propose actions, establish and monitor a programme of work and an agenda of meetings, and report back thereon to the Inter institutional Commission.

The role of the **Inter-institutional Commission** is to extend the monitoring of the project into the political arena, which would involve decision making, formalizing agreements and commitments of the institutions, and allocating tasks and resources.

Representation of these two bodies is elevated to the regional level with a **Regional Technical Committee**, constituted of the NTA representatives of all MERCOSUR countries, and a Regional Inter institutional Commission, composed of the ministers of tourism (or the equivalent) of each of the MERCOSUR countries. These groups meet regularly, often through videoconference, to discuss the progress of the group of countries and the project's way forward. The **Regional Inter-institutional Commission** often meets within the framework of the official MERCOSUR meetings, with the project as an item in the official agenda.

It is noteworthy that the sustainability over time of this Inter institutional Platform set-up was established and reinforced by the signing of memorandums of understanding which identified the institutions and persons involved, including their roles and responsibilities.

Source: Project for the Harmonization of Tourism Statistics in the Countries of the Southern Cone, (2013).

Box VIII.6
The National Statistical Coordination Board of the Philippines

The National Statistical Coordination Board (NSCB) is the highest policymaking and coordinating body on statistical matters in the Philippines. In 1997, NSCB created the Inter agency Committee on Tourism Statistics (IACTS) whose 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: the Asian Institute of Tourism, Bangko Sentral ng Pilipinas, the Bureau of Immigration (BI), the Civil Aeronautics Board, the Department of Interior and Local Government, the National Economic and Development Authority, the 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 has been facilitated through the signing of various memorandums of agreement between DOT and other members of STS, which cover various aspects of both the statistical process and capacity building. These include the memorandums of agreement between DOT and BI on the operation of the A/D card processing Centre, between DOT and NSO on the conduct of the household survey on domestic visitors and on the conduct of the establishment survey, and between DOT and the Statistical Research and Training Centre on statistical capacity building for DOT regional personnel and local government units.

Source: Philippines, National Statistical Coordination Board (2013).

Box VIII.7
Constitutional arrangements for tourism statistics: example of Canada

Canada provides 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 enabled Statistics Canada to enter into a Partnership Agreement with the Canadian Tourism Commission (CTC). The agreement defines the objectives and responsibilities of both agencies with respect to the collection, processing and sharing of information and 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, cooperates with other governmental agencies (besides CTC), which provide assistance in the organization of data-collection activities in their areas of responsibility (e.g., the Canada Border Services Agency renders assistance in the area of the frontier count of travellers and the Canadian Tourism Human Resource Council in the area of statistics on employment in tourism industries).

Canada's tourism statistics, being part of the official statistics compiled by Statistics Canada, is subject to common quality assurance policies which enhance the public's trust with regard to those statistics.

Source: Statistics Canada (2013).

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Glossary of terms[a]

[a] The present glossary includes terms related specifically to tourism statistics and general statistical terms. Interested readers should also consult the comprehensive glossary of the SDMX project.

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, who may be either tourists or excursionists, residents or non-residents. Tourism encompasses their activities, some of which involve tourism expenditure.

Activity/activities—In tourism statistics, the term activities refers to the actions and behaviours of people in preparation for and during a trip in their capacity as consumers (IRTS 2008, para. 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 (2008 SNA, para. 5.8).

Activity (productive)—The (productive) activity carried out by a statistical unit is the type of production in which it engages. It should 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 comprise the set of units and data derived from an administrative source, which 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 or standard deviation.

Analytical unit—An entity created by statisticians, through the splitting or combining of 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, para. 2.12).

Bias—An effect that 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 or businesswomen, etc. (IRTS 2008, para. 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, para. 3.17.2).

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, para. 2.15).

Country of (usual) residence—The country of (usual) residence of a household or a person (or any other institutional unit) 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 or economic territory and if it is there that he or she has his or her centre of predominant economic interest (for example, if this is where the predominant amount of time is spent), he or she is considered a resident of this country of territory.

Country-specific tourism characteristic products and activities—To be determined by each country by applying the criteria set out in IRTS 2008, para. 5.10, in its own context; for these products, the activities producing them will be considered tourism characteristic, and the industries in which the principal activity is tourism characteristic will be called tourism industries (IRTS 2008, para. 5.16).

Data checking—The 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—The systematic process of gathering data for official statistics.

Data compilation—The operations performed on data to derive new information according to a given set of rules.

Data confrontation—The process of comparing data that have 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—The operation performed on data by the organization, institute, agency or other entity 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 (IRTS 2008, para. 2.31). See also purpose of a tourism trip.

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 at least to 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 as part of an outbound tourism trip (IRTS 2008, para. 2.39).

Domestic tourism consumption—The tourism consumption of a resident visitor within the economy of reference (TSA—RMF 2008, figure 2.1).

Domestic tourism expenditure—The tourism expenditure of a resident visitor within the economy of reference (IRTS 2008, para. 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, para. 2.32).

Domestic visitor—As a visitor travels within his or her country of residence, he or she is a domestic visitor and his or her activities are part of domestic tourism.

Durable consumer goods—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, durable consumer goods are considered to be capital goods used for production processes, as is the case for vehicles, computers, etc. When acquired by households, they are considered to be durable consumer goods (TSA—RMF 2008, para. 2.39). This definition is identical to that in the 2008 SNA (para. 9.42), which states: "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, para. 2.26).

Economic analysis—Tourism generates directly and indirectly an increase in economic activity in the places visited (and beyond), mainly owing to demand for goods and services which 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", a much broader concept encapsulating the direct, indirect and induced effects of tourism, 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 carried out (country of reference) (IRTS 2008, para. 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, Resolution concerning statistics of

the economically active population, employment, unemployment and underemployment, para. 5).

Economy (of reference)—Economy (or economy of reference) is an economic reference whose definition is the same way as that in the Balance of Payments and in the System of National Accounts—the term refers to the economic agents that are resident in the country of reference (IRTS 2008, para. 2.15).

Employees—Employees are all those workers who hold the type of job defined as paid employment (ILO, Resolution concerning the International Classification of Status in Employment (ICSE), para. 8 (1)).

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, para. 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, Resolution concerning the International Classification of Status in Employment (ICSE), para. 9 (2)).

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 Glossary of Statistical Terms).

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, para. 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 Glossary of Statistical Terms).

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 (2008 SNA, para. 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 Glossary of Statistical Terms).

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.

Frame—A list, map or other specification of the units that define a population to be completely enumerated or sampled.

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 (2008 SNA, para. 6.15).

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) (2008 SNA, para. 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, para. 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, para. 4.86).

Grossing up—Activity aimed at transforming, based on statistical methodology, microdata 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, para. 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, para. 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 characterized 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 (2008 SNA, para. 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, para. 2.40 (a)).

Internal tourism consumption—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, para. 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 for organizing detailed information about the state of an economy according to economic principles and perceptions (ISIC, Rev.4, chap. I, para. 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, as part of either domestic or outbound tourism trips and the activities of non-resident visitors within the country of reference on inbound tourism trips (IRTS 2008, para. 2.40 (c)).

International visitor—An international traveller qualifies as an international visitor with respect to the country of reference if: (a) he or she is on a tourism trip and (b) he or she is a non-resident travelling in the country of reference or a resident travelling outside of it (IRTS 2008, para. 2.42).

Job—The agreement between an employee and the employer defines a job and each self-employed person has a job (2008 SNA, para. 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 or 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 Exhibitions over the acronym MICE (Meetings, Incentives, Conferences and Exhibitions), which does not recognize the industrial nature of such activities.

Metadata—Data that define and describe 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 Glossary of Statistical Terms, 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, para. 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, para. 4.20 (b)).

Nationality—The concept of country of residence of a traveller is different from that of his or her nationality or citizenship (IRTS 2008, para 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 (2008 SNA, para. 29.84).

Observation unit—The 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, para. 2.39 (c)).

Outbound tourism consumption—The tourism consumption of a resident visitor outside the economy of reference (TSA: RMF 2008, figure 2.1).

Outbound tourism expenditure—The tourism expenditure of a resident visitor outside the economy of reference (IRTS 2008, para. 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 (2008 SNA, para. 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, chap. III C.2).

Person employed—Persons in employment (or employed) 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.

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 and the organization of fieldwork, etc.

Place of usual residence—The geographical place where the enumerated person usually resides, which defined by the location of his or her principal dwelling (Prin-

ciples and Recommendations for Population and Housing Censuses, Revision 2, paras. 1.461-1.468).

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 is 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 gross domestic product (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 (2008 SNA, para. 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 (2008 SNA, para. 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, para. 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 (main destination of a trip) (IRTS 2008, para. 3.14 and figure 3.1).

Questionnaire and questionnaire design—A 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—The 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 factors, such as inadequate concepts or questions, inadequate training, interviewer failures and respondent failures.

Same-day visitor (or excursionist)—A visitor (domestic, inbound or outbound) is classified as a tourist or overnight visitor if his or her trip includes an overnight stay, or as a same-day visitor or excursionist otherwise (IRTS 2008, para. 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 that 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 (2008 SNA, para. 29.85).

SDMX (Statistical Data and Metadata eXchange)—A set of technical standards and content-oriented guidelines, together with an information technology architecture and tools, to be used for the efficient exchange and sharing of statistical data and metadata (SDMX).

Seasonal adjustment—A statistical technique designed 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-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.

Self-employment job—Self-employment jobs are those jobs where remuneration is directly dependent upon the profits (or the potential for profits) derived from the goods or services produced.

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 (2008 SNA, para. 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 (2008 SNA, para. 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—An 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 (2008 SNA, para. 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, para. 4.114). It does not include outbound tourism consumption.

Tourism—Tourism refers to the activity of visitors (IRTS 2008, para. 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, para. 5.11).

Tourism characteristic products—Tourism characteristic products are those that satisfy one or both of the following criteria (IRTS 2008, para. 5.10).

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.

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, para. 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, para. 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, para. 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, para. 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, para. 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 IRTS 2008, (paras. 5.10 and 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 (IRTS 2008, para. 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 tourism, 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, para. 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, para. 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, para. 4.55). See also Tourism ratio.

Tourism single-purpose consumer durable goods—Tourism single-purpose consumer durable goods constitute a specific category of consumer durable goods that includes durable goods that are used exclusively or almost exclusively by individuals while on tourism trips (TSA: RMF 2008, para. 2.41, and Annex 5).

Tourism trip—Trips taken by visitors are tourism trips (IRTS 2008, para. 2.29).

Tourist (or overnight visitor)—A visitor (domestic, inbound or outbound) is classified as a tourist (or overnight visitor) if his or her trip includes an overnight stay or as a same-day visitor (or excursionist) otherwise (IRTS 2008, para. 2.13).

Travel/traveller—Travel refers to the activity of travellers. A traveller is someone who moves between different geographical locations, for any purpose and any duration (IRTS 2008, para. 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, para. 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, para. 10.86).

Travel party—A travel party is defined as visitors travelling together on a trip and whose expenditures are pooled (IRTS 2008, para. 3.2).

Trip—A trip refers to the travel by a person from the time of departure from his or her usual residence until he or 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 contigu-

ous one) within which an individual conducts his or 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, Revision 2, paras 2.16-2.18 and table 1).

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, para. 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 (2008 SNA, para. 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, paras. 2.7 and 2.33).

Visitor—A visitor is a traveller taking a trip to a main destination outside his or 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, para. 2.9). A visitor (domestic, inbound or outbound) is classified as a tourist (or overnight visitor), if his or her trip includes an overnight stay, or as a same-day visitor (or excursionist) otherwise (IRTS 2008, paras. 2.13).

Annex 1

Proposed basic questions for measuring 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		
Emigration		*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
Male	
Female	

Age	Tick box
15-24	
25-34	
35-44	
45-54	
55-64	
65+	

[Note: Some countries might wish to request 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 [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 tranportation 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……...……..	

15. 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	*If YES, go to question 15.b*
NO	*If 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 on such items is significant.]

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/organization (e.g., friend, relative, employer, government agency, etc.) spend any other money on goods or services you and you 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 on expected tourism behaviour of residents abroad, or on arrival, to obtain information on actual tourism behaviour of residents abroad.

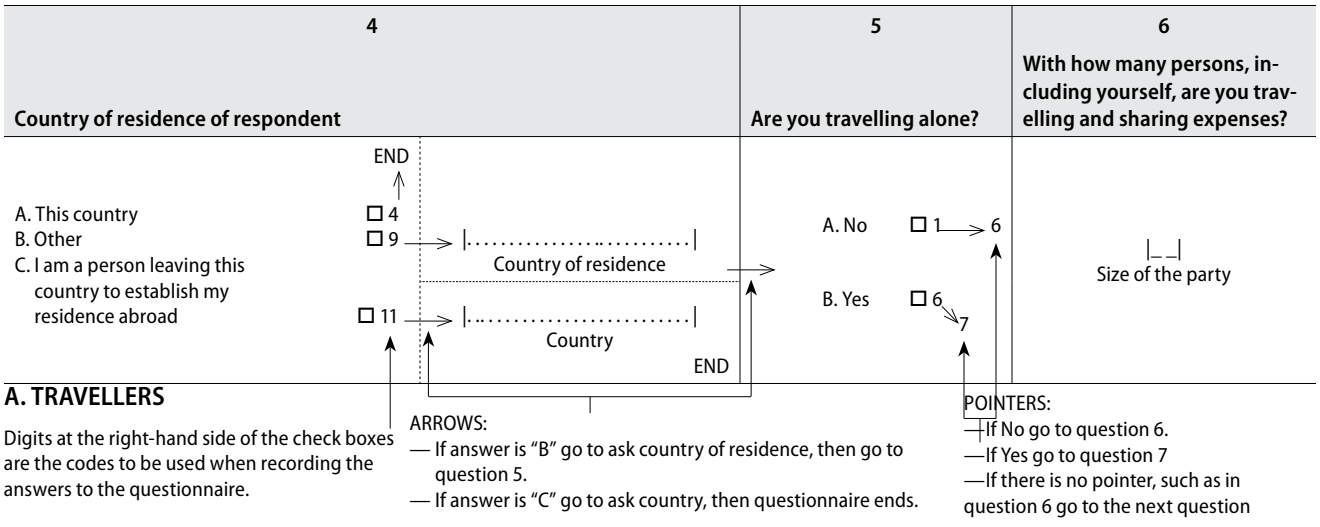
BORDER SURVEY/QUESTIONNAIRE

Five parts:

A. Travellers
B. Means of transport
C. About your stay
D. Acquisition of services in your country or in another country before arriving in our country
E. Acquisition of goods and services in our country booked or paid for either before, during or after the trip

So that the symbols (numbered or with arrows) included throughout the questionnaire, can be understood, the following example illustrates how to proceed:

A. TRAVELLERS



1 Survey point	2 Departure date	3 Nationality of respondent (if respondent has more than one, indicate the one used to enter the country
|..... ....|	1. Day |_ _| 2. Month |_ _| 3. Year |_ _ _ _|	|.....| Nationality

Comment on item 3: This is important information, needed for cross checks with migration statistics, or for a study of the tourism behaviour and characteristics of persons of certain nationalities..

4 Country of residence of respondent	5 Are you travelling alone?	6 With how many persons, including yourself, are you travelling and sharing expenses?
END A. This country ☐ 4 B. Other ☐ 9 → |.....| Country of residence C. I am a person leaving this, country to establish my residence abroad ☐ 11 → |.....| Country END	A. No ☐ 1 → 6 B. Yes ☐ 6 → 7	|_ _| Size of the travel party

Comment on item 6: Travelling together does not necessarily mean that all or any expenses are shared, but rather that decisions concerning the trip are shared. It must be made clear to the interviewee that it is the number of persons sharing expenses that is asked for. Cruise-ship passengers will not be included. They require a different type of questionnaire.

B. MEANS OF TRANSPORT

7 You are going to leave our country...	8 Means of transport
A. By land ☐ → 8 B. By plane ☐ → 9 C. By ship/ferry/boat ☐ → 11 D. By train ☐ → 11	Rented vehicle A. Yes / B. No A. Bicycle ☐ 02 ☐ 07 B. Motorbike ☐ 03 ☐ 08 C. Car ☐ 04 ☐ 09 D. Monovolume ☐ 11 ☐ 16 E. Van ☐ 12 ☐ 17 F. Caravan ☐ 13 ☐ 18 G. Car + caravan ☐ 14 ☐ 19 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 out 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 |_____| Flight number	|_____| 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 asking for further details in order to identify the part of expenditure on air travel that corresponds to inbound tourism consumption (as associated with changing planes, code sharing, etc.).

Additional information could be requested, on: gender, age group (define specific age groups so that very young children and retirees can be set apart from the members of other groups) and 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 you 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 → 14 B. By plane ☐ 42 C. By ship/ferry/ boat ☐ 43 → 15 D. By train ☐ 44	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, or consular staff or military personnel on duty (or accompanying persons) of foreign governments, stationed in this country	☐ 11	☐ 21	E. A worker that has been employed by a resident		
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
		BoP	F. Other travellers	☐ 28	BoP
					17

Comment on item 16: End points can be used to collect data for balance of payments (BoP) purposes.

17 **Number of nights spent in our coutnry**	18 **Reasons for your one-day stay in our country (Several answers possible)**	19 **Code of the main reason for your one-day stay**
A. None (I am in transit to/from other countries) ☐ 01 → 8 B. None (I am just visiting your country for one day) ☐ 02 → 18 C. One or more nights ☐ 03 ↓ _ _ _| Number of nights → 21	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 1.8. Other ☐ 08 2. Business and professional ☐ 09 2.1 Attending meeting and conference 2.2 Trade fairs and exhibitions 2.3 Lectures and conferences, 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 **Trip frequency**	21 **Reasons for your one-day stay in our country (Several answers possible)**	22 **Code of the main reason for your one-day 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 1.8. Other ☐ 08 2. Business and professional ☐ 09 2.1 Attending meeting and conference 2.2 Trade fairs and exhibitions 2.3 Lectures and conferences, 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 answers 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 sites ☐ 15
							16. Visiting market ☐ 16
							17. Visiting casinos/gambling ☐ 17
							18. Shopping ☐ 18
							19. Water cure ☐ 19
							20. Dine in high-quality restaurants ☐ 20
							21. Participate in night life ☐ 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
							23.11. Other ☐ 33

D. ACQUISITION OF SERVICES IN YOUR COUNTRY OR IN ANOTHER 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 B. Other persons you are travelling with ☐ 7 |__| Party size (including yourself)	35 A. None (I am in transit to/ from other countries) ☐ 01 B. (None (I am just visiting your country for one day) ☐ 02 C. One or more nights ☐ 03 → 27	34 A. No ☐ 3 B. Yes ☐ 8 → 28	A. Unknown ☐ 4 34 B. Known ☐ 9 |__| Amount |.....| Currency	A. No ☐ 3 → 30 B. Yes ☐ 8 → 31	A. No ☐ 2 B. Yes ☐ 7

31	32	33
Does it include local transportation within our country?	**Does it include accommodation?**	**Does it include other services such as...?**

A. No ..... ☐ 3 B. Yes ..... ☐ 8	A. Yes .. ☐ 4 B. No .... ☐ 9 → 33 A.1. Full board ..... ☐ 51 A.2. Half board. ..... ☐ 52 A.3. Lodging and breakfast..... ☐ 53 A.4. Only lodging ..... ☐ 54	A. No B. Yes 1. Food-serving services. ..... ☐ 9 ☐ 4 2. Other services of which ..... ☐ 6 ☐ 1 2.1. Health services. ..... ☐ 7 ☐ 2 2.2. Education services ..... ☐ 8 ☐ 3 2.3. Tour escort for entire trip ..... ☐ 9 ☐ 4 2.4. Commercial guided tour ..... ☐ 6 ☐ 1 2.5. Car rental. ..... ☐ 7 ☐ 2 2.6. Other services ..... ☐ 8 ☐ 3 → 35

Indicate if the payment was made (D) directly or through an intermediary travel agency, tour operator. (I)

34	Expenditure related to this trip paid in your country or another country before arriving in our country (transportation, accommodation, others)	A. No ..... ☐ 4 → 34 B. Known ..... ☐ 9 →	|_____| Amount	|.....| Currency	|100| Percentage		
34.1	Were there passenger transport services?	A. No ..... ☐ 4 → 34.2 B. Known ..... ☐ 9 →	|_____| Amount	|.....| Currency	|___| Percentage	1. (D) ☐ 3	2. (I) ☐ 8
34.1.1.	To enter or to leave our country?	A. No ..... ☐ 4 → 34.2 B. Known ..... ☐ 9 →	|_____| Amount	|.....| Currency			
34.1.2	Local transportation within our country?	A. No ..... ☐ 4 → 34.2 B. Known ..... ☐ 9 →	|_____| Amount	|.....| Currency			
34.2	Were there accommodation services?	A. No ☐ 2 → 34.3 B. Yes ☐ 7 B.1. Full board ..... ☐ 11 B.2. Half board ..... ☐ 12 B.3. Lodging and breakfast.. ☐ 13 B.4. Only lodging ..... ☐ 14	|_____| Amount	|.....| Currency	|___| Percentage	1. (D) ☐ 3	2. (I) ☐ 8
34.3	Were there other services (for instance, food-servicing 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 B. Known ..... ☐ 9 →	|_____| Amount	|.....| Currency	|___| Percentage	1. (D) ☐ 3	2. (I) ☐ 8

Countries are encouraged to use a more detail breakdown 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 another 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 for by traveller
- Paid for by other

E. ACQUISITION OF GOODS AND SERVICES IN OUR COUNTRY BOOKED OR PAID FOR EITHER BEFORE, DURING OR AFTER THE TRIP

35	Trip related to expenses paid in our country (transportation, accommodation, others)	A. No..... ☐ 4 → End B. Known..... ☐ 9 →	|_____| Amount	|.....| Currency	|100| Percentage		
35.1	Were there passenger transport services?	A. No..... ☐ 4 → 35.2 B. Known..... ☐ 9 →	|_____| Amount	|.....| Currency	|___| Percentage	1. (D) ☐ 3	2. (I) ☐ 8
35.1.1.	To leave our country?	A. No..... ☐ 4 → 35.2 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 there accommodation services?	A. No ☐ 2 → 34.3 B. Yes ☐ 7 B.1. Full board .....☐ 11 B.2. Half board.....☐ 12 B.3. Lodging and breakfast ..☐ 13 B.4. Only lodging .....☐ 14	|_____| Amount	|.....| Currency	|___| Percentage	1. (D) ☐ 3	2. (I) ☐ 8
35.3	Were there other services (for instance, food-servicing 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) ☐ 3	2. (I) ☐ 8
35.4	Were there other goods (gifts, souvenirs and other goods)	A. No..... ☐ 4 → End B. Known..... ☐ 9 →	|_____| Amount	|.....| Currency	|___| Percentage	1. (D) ☐ 3	2. (I) ☐ 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/organization 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☐ Horse-related 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 and breakfast/farm	.....nights
Caravan/motorhome/tent/ cottage at paying campsite	.....nights	Cruise liner/ferry	.....nights
Caravan/motorhome/tent/ cottage at non-paying campsite	.....nights	Other accommodation, please, specify:	.....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/caravan
   5☐ Train
   6☐ Bus
   7☐ Public transport
   8☐ Taxi
   9☐ Boat
   10☐ Motorbike
   11☐ Bicycle
   12☐ Other

Continues on reverse!

1. 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.....		

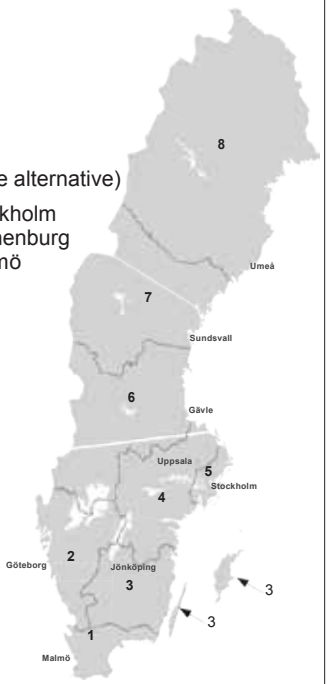
2. State how much **you** have paid in total for this trip **during** your stay in Sweden.

☐ 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:.....	

3. 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!

TILLVÄXTVERKET
SWEDISH AGENCY FOR ECONOMIC AND REGIONAL GROWTH

Annex 2

Tourism expenditure versus tourism consumption

Tourism expenditure (TE), and tourism consumption (TC) appear to have a similar formal definition, namely, "the acquisition of consumption goods and services as well as valuables for own use or to give away, for and during tourism trips". However, whereas tourism expenditure is restricted to the amount paid for such acquisition (that is, it includes only 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 such transactions cannot be readily observed, their amount has to be calculated.

The following list distinguishes the concepts associated with tourism expenditure from those associated with tourism consumption. To clarify each one of these concepts, it is proposed as a first reference aimed at assisting compilers.

Concept	Classification (conceptual)	Actual inclusion	Comment
Monetary expenditure on goods and services paid by the visitor out of his or 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 permitted 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 associated with receiving visitors.	TE	No	Impossible to obtain this information: in practice, not included in national accounts

Concept	Classification (conceptual)	Actual inclusion	Comment
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	
Health	TC	Yes	
Museums	TC	Yes	
Performing arts	TC	Yes	
Other	TC	Yes	
Actual expenditure of businesses net of out-of-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 favour 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 of 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 the month

Persons interviewed: 15 years old and older

Confidentiality is guaranteed

EMPLOYMENT (Persons interviewed: 15 years old and older

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 → 56

3 **Was a conscript on compulsory military or community service**

2 **Did you work during the reference week**

1 Yes → 6

2 Was not working due to layoff → 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
5 Parental leave
6 Bad weather
7 Compensation leave (within the framework of working-time flexibility or an annualized hours contract)
8 Other reasons
9 Maternity leave
10 Own illness, injury or temporary disability

→ 4 (codes 1–6)

→ 6 (codes 7–10)

4 **Article 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 the 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

Article 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 licence, own a farm, etc. → 11

11 Country of place of work

1 Lithuania

Town, local administration, village

Code of the territory → 12

Article III.

2 **Article IV. Other country**

Name of country

Code of country → 12

12 During the past four weeks, have you worked at home?

1 Yes
2 Sometimes
3 Never → 13

13 Article 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

17 During the reference week were you:

1 Employee, working by written agreement → 18
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 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 for annual work results, dividends, bonus shares)

litas → 23

23 **Do you receive any sickness, disability or invalidity allowances?**

_____ litas → 24

Article VII.

Article VIII.

24 **During the past four weeks, have you performed any shift work?**

1 Yes
2 No → 25

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
4 No reason given
5 A contract for a probationary period
→ 27

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
4 50 persons or more
5 Do not know, but less than 11 persons
6 Do not know, but more than 10 persons
→ 29

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.)

_____ months → 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
5 Other reasons
6 No reason given
→ 34

7 Looking after children or incapacitated adults → 33

33 **Article IX. You are looking after children or incapacitated adults because:**

1 *Article X.* Suitable care services for children are not available or affordable
2 *Article XI.* Suitable care services for ill, disabled, elderly are not available or affordable
3 *Article XII.* Suitable care services for both children and ill, disabled, elderly are not available or affordable
4 *Article XIII.* Care facilities do not influence decision for working part-time
→ 34

34 **Article XIV. Would you like to work more hours each week than you do currently?**

1 No → 38
2 Yes → 35

35 **Article 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
3 Only within the present job
4 In any of the above-mentioned ways
→ 36

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 **Article 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 work 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 was will be paid (or was 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 → 46
7 Maternity or parental leave
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

Article 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 did you work 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 your secondary occupation:**

_____

_____

[ ][ ][ ][ ][ ][ ][ ] → 51

Code of enterprise

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 yours actually worked in your second job:**

Article XVIII. OTHER JOB

54 **Are you looking for a second 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 a transitional job

3 Seeking an additional job to add more hours to those worked in the present job

4 Seeking a job with more hours worked than in the present job

5 Seeking 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 **Article 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, is not considered employment) → 64

57 **Article XIX. In which year did you last work?**

☐☐☐☐ year → 58

58 **In which month did you last work?**

(Specify, if the person left work less than two years ago)

☐☐ month → 59

59 **Article XXII. For how many years have you not worked?**

1 Less than eight years → 60

2 Eight 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

Article XXIII. EDUCATION

79 **Have you been a student in regular education during the last four weeks?**

1 Yes → 80

2 Yes, but now you are on holiday → 80

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) → 81

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)

81 **Did you attend any courses, seminars, conferences, etc., during last four weeks?**

1 Yes → 82
2 No → 85

82 **Number of hours spent on all taught learning activities within the last four weeks:**

[ ] hours → 84

83 **Which training course 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

Article 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

90 **Economic activity of local unit in which a person was working one year before the survey:**

[ ] → 91

Code of economic activity [ ]

Annex 4

Australia: Survey of Employees Earnings and Hours, 2012—help page

Selected questions

D.5. Part 1. Employee characteristics[a]

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, second-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 his or her own business. It allows earnings information for managerial employees to be analysed separately.

[a] Australian Bureau of Statistics.

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.

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 Earnings and Hours 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 as that 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 11. 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 whereby an employee agrees to forgo part of his or her 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 having 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 earnings 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 13 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 13 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 11. For example, if the employee is paid monthly, monthly ordinary hours should be reported. Including

Including

- Hours of paid leave relating to the pay period

Excluding

- Overtime hours
- Hours on standby 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

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