

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 Payment 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 identified 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 codesharing, 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 determined 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.