



Tourism Satellite Accounts: Structure and Applications

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What is Tourism?

Defining Tourism for Purposes of the TSA

“Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes”.

The definition of tourism comes from the **Leisure Day Visits Survey**, the following criteria must be satisfied:

- Visits must be for three hours or more
- Visits must not be taken on a regular basis



Tourism Characteristic Products

- **Tourism Characteristic Products:**
" products which, in the absence of visitors, in most countries would probably cease to exist in meaningful quantity or for which the level of consumption would be significantly reduced and for which it seems possible to obtain statistical information"
- **Tourism Connected Products:**
" a residual category, including those that have been identified as tourism-specific in a given country but for which this attributable has not been acknowledged on a worldwide basis"
- **Tourism Specific Products:**
The sum of the two previous categories



TSA Sectors

| | |
|---|--------------------------------------|
| All Tourism Characteristic Products | |
| 1 Accommodation Services | |
| | 1.1 Hotels and lodging services |
| | 1.2 Second homes services on own |
| 2 Restaurant, bar and catering services | |
| 3 Passenger transport services | |
| | 3.1 Railway transport services |
| | 3.2 Other land transport services |
| | 3.3 Water transport services |
| | 3.4 Air transport services |
| | 3.5 Ancillary transport services |
| 4 Travel agency and tour operator services | |
| 5 Recreation, cultural and other | |
| 6 Tourism Connected Products | |
| | 6.1 Post & telecoms services |
| | 6.2 Financial and Insurance Services |
| | 6.3 Rental services |
| | 6.4 Market Health services |

Tourism Characteristic Sectors

Tourism Connected Sectors



UK TSA Tables

- There are seven Tables in the UK TSA:
 1. Table 1: Foreign Tourists Consumption in the UK
 2. Table 2: Domestic Tourism Consumption both in UK and on Overseas Travel
 3. Table 3: Money Spent by UK Residents in Foreign Countries
 4. Table 4: Total Tourism Consumption in the UK: Domestic and Foreign
 5. Table 5: Tourism Sector Production
 6. Table 6: Components of Tourism Supply
 7. Table 7: General Indicators

Employment Module Close to Completion



Table 1: Inbound Tourism Consumption

- This table gives details of Foreign Tourists Consumption in the UK.
- It is split into three categories as defined by the International Passenger Survey:
 - Holidays
 - Business
 - Visiting Friends and Relatives + Other
- In 2000 foreign tourists consumed £16 billion worth of goods in the UK. The main components of this were:
 - Hotels and Lodging – 21%
 - Air Transport – 19.4%
 - Restaurant, bar and Catering Services – 20.7%



Inbound Tourism Expenditure year 2000

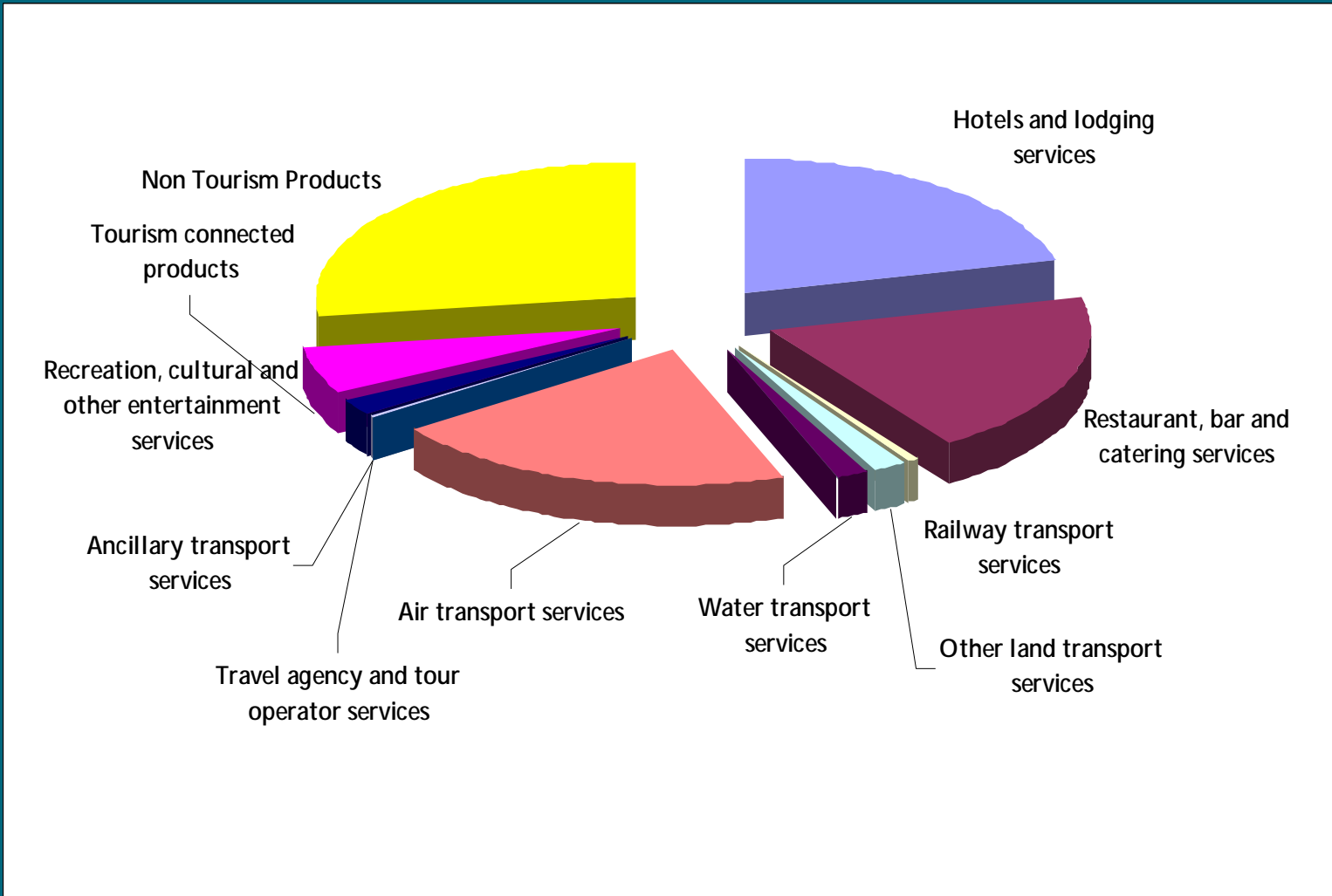




Table 2: Domestic Tourism Consumption

- This table is split into two components:
 - Expenditure from visitors travelling in the UK
 - Expenditure from UK residents travelling abroad
- Expenditure from UK residents travelling abroad consists of money spent by holiday makers on components of their foreign holiday.
- Consists mostly of airfares (65%) and travel agents fees (13%).



Domestic Tourism Expenditure year 2000

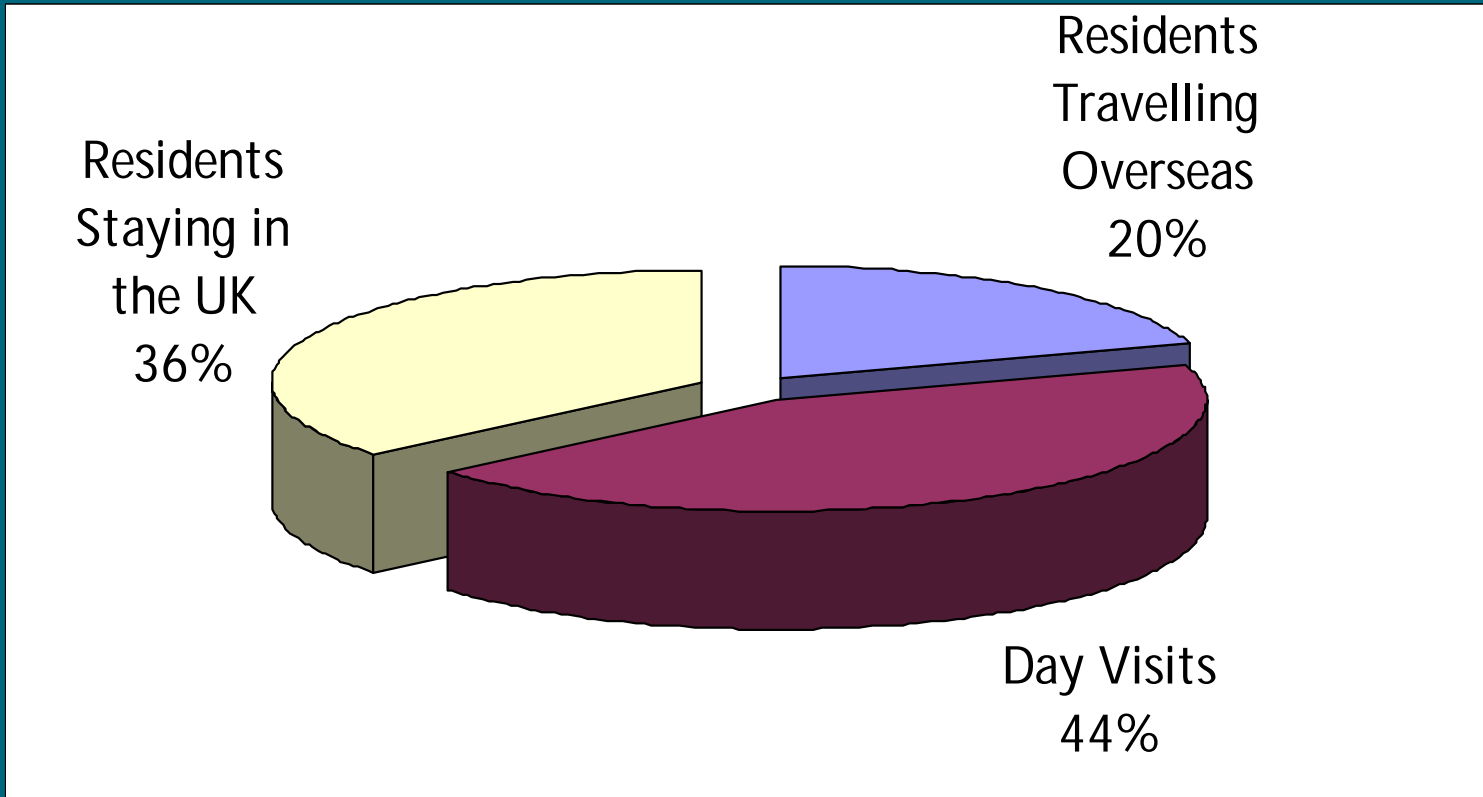




Table 3: Outbound Tourism Consumption

- This table gives details of UK residents expenditure in foreign countries.
- It is estimated that in 2000 UK residents spent £24 billion in foreign countries on tourism.
- The largest allocation of expenditure was in restaurants and bars (29%) compared to (25%) on accommodation.
- We can add this to the expenditure from UK residents travelling abroad figure from Table 2 to show that out of household expenditure in the UK approximately £40 billion is spent on foreign holidays.



Table 4: Internal Tourism Consumption

- Table 4 gives a break down of total internal tourism consumption in the UK. It is split into three components:
 1. Consumption by Foreign Tourists in the UK (Table 1)
 1. Consumption by Domestic Tourists in the UK (Table 2)
 2. Consumption by Domestic Tourists leaving the UK (Table 2)
- Tourism consumption is worth around £90 billion in the UK.



Table 5: Production Accounts (1)

- Table 5 details output for the 11 sectors considered in the TSA.
- Total output at basic prices of an activity (columns) is obtained as the sum of its outputs by product.
- For example the total industry output of the hotel and accommodation sector is £15,305.8 million (approximately £15 billion) which consists of:
 - £10,250.3 million is 'pure' accommodation output
 - £3,809 million is the output of hotels attributed to restaurants and bars
 - £1,092.1 million is attributed to recreation and entertainment services
 - £154.4 million relates to "all other products"
 - £782.8 million are distribution margins



Table 5: Production Accounts (2)

| <i>£million</i> | 1 Hotels & accommodation | 2 Second home & caravan ownership (imputed) | 3 Restaurants & bars |
|--|--------------------------|---|----------------------|
| Tourism Products | 15,151.4 | 890.7 | 31,638.7 |
| A1 Characteristic Products | 15,151.4 | 890.7 | 31,638.7 |
| 1 Accommodation Services | 10,250.3 | 890.7 | 1,167.0 |
| 1.1 Hotels and lodging services | 10,250.3 | x | 1,167.0 |
| 1.2 Second homes services on own account | x | 890.7 | x |
| 2 Restaurant Bar and Catering Services (excl. Canteens) | 3,809.0 | x | 30,471.8 |



Table 5: Production Accounts (3)

| | 1 Hotels & accommodation |
|--|--------------------------|
| Total Domestic Industry Output (basic prices) (net of distribution margins) | 15,305.8 |
| Inputs to the production process | |
| 1 Agriculture & Extraction | 288.6 |
| 2 Manufacturing in food processing | 1,819.8 |
| 3 Energy & Water | 88.4 |
| 4 Construction | 55.5 |
| 5 Hotels, Transport & communication services | 783.8 |
| 6 Business Services | 1,435.9 |
| 7 Community, Social and personal services | 268.0 |
| Total Intermediate consumption at purchaser | 4,740.0 |
| Taxes less subsidies on production | 418.0 |
| Compensation of employees | 6,235.4 |
| Gross Operating surplus (inc mixed income) | 3,912.3 |
| Total Gross Value Added at basic prices | 10,565.8 |



Table 10: Non Monetary Indicators

- Table a: gives details of inbound, domestic and outbound visitor nights.

| | Inbound | Domestic | Outbound |
|-----------------------|---------|----------|----------|
| Visits (million) | 23.2 | 175 | 52.2 |
| Nights (million) | 203.8 | 576 | 566.9 |
| Average stay (nights) | 8.8 | 3.3 | 10.9 |

- Table b: gives details of arrivals by means of transport
- Table c: gives details of the number of establishments in tourism connected industries – not the number of firms.



Tourism GVA

| | Tourism GVA |
|---|-----------------|
| Hotels and Accommodation | £ 6,250 |
| Second Home and Caravan Ownership (imputed) | £ 770 |
| Restaurant, Bars and Canteens | £ 8,670 |
| Railways | £ 395 |
| Other Land Transport | £ 1,415 |
| Water Transport | £ 575 |
| Air Transport | £ 3,440 |
| Other Transport Services | £ 255 |
| Travel Agency and Tour Operators | £ 1,465 |
| Recreation Services | £ 2,250 |
| Renting of Moveables | £ 180 |
| <i>Sub total tourism Industries</i> | £ 25,665 |
| Non-Tourism Industries | £ 6,350 |
| Total | £ 32,015 |
| As a percentage of UK GVA | 3.80% |