Measuring Tourism Locally

Guidance Note One: Definitions of Tourism

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Measuring Tourism Locally
Guidance Note One: Definitions of Tourism

Sean White, Tourism Intelligence Unit

1. Introduction

This guidance note is produced as part of a series by the Tourism Intelligence Unit at ONS with the aim of providing a consistent framework within which to measure and collect data on various facets of tourism activity. The guidance notes produced to date are:

- Guidance Note 1: Definitions of Tourism
- Guidance Note 2: Local Economic Impact Modelling Approaches
- Guidance Note 3: Undertaking Visitor Surveys
- Guidance Note 4: Tourism Benchmarking and Performance Indicators
- Guidance Note 5: Measuring the Supply Side of Tourism

The achievement of this consistent framework is determined to some extent by an understanding of the concepts and definitions of tourism and how these are understood internationally, nationally in the UK, regionally and at sub-regional levels.

These concepts and definitions relating to tourism are used at a national level within ONS and find their way into definitions and classifications used in the National Accounts and Balance of Payments, International Trade in Services, and Household and Migration statistics. It is important, therefore, that these standards are adopted more widely at the sub-national level to promote a cohesive approach to the measurement of tourism. It is crucial that this conceptual framework is adopted by users when undertaking data collection or analysis on tourism, particularly at the local level. The ONS, through the work of the Tourism Intelligence Unit is adopting the concepts and definitions highlighted in this guidance and it is recommended that data collection carried out at regional and sub-regional level UK should adhere to the guidance provided here.

A key aim of these guidance notes is to assist in putting in place a consistent set of data relating to the tourism sector at the local authority level. In this sense the guidance seeks to develop a consistent ‘bottom up’ approach to data collection across the various aspects of tourism that the guidance covers. Adopting this approach would ensure more comparability across areas which will be useful for planning purposes. It would also make feasible a more consistent approach to local economic impact of tourism analysis to be undertaken if local authorities are collecting tourism data following a consistent framework.
It is important that this guidance is seen in combination with the Partners for England Place Making Charter. The Charter promotes continuous quality improvement and provides a core set of principles (integrate; inform; innovate; invest and improve) to be championed by stakeholders in a destination - recognising that places are unique. By signing up an organisation is agreeing to champion excellent destination management in their area and identify where delivery responsibilities lie.

In summary the key aims of “Place making – a Charter for Destination Management” are:

- Awareness – to influence prioritisation by national and regional bodies, local authorities and businesses
- Clarity – roles and responsibilities of key players
- Focus – on destination management and place-shaping
- Partnership – encourage and foster collaboration in a fragmented sector
- Improvement - drive continuous quality improvement

The guidance notes produced here can contribute to this drive towards quality improvement and given the move towards localism these guidance notes on measuring tourism locally are particularly timely.

Initially we can identify both demand side and supply side definitions of tourism.

### 2. Demand Side Definitions

We start with some basic concepts and terms that any working in the tourism sector will be familiar with but, nevertheless, are worthy of further explanation. Tourism is defined as “a movement of people to places outside their usual place of residence, pleasure being the usual motivation.”

This implies some element of travel which is the second important term to consider.

If a resident is travelling within their own country then we would refer to this as domestic travel, whereas travel to a country by people who live outside of that country is called inbound travel, and travel to another country by UK residents, for example, is called outbound travel.

A trip is a round trip and is the time of departure from a persons usual residence until they return. The trip is made up of visits to different places. An Inbound trip includes travel between arriving in a country and leaving, whilst Domestic or outbound trips include travel between leaving the place of residence and returning. Domestic in this instance incorporates the main destination inside the traveller’s place of residence, while an outbound trip has the main destination outside the area of residence.

Turning to those who make trips, we can point to a definition commonly used by those undertaking analysis in the tourism sector:

“A Visitor is a traveller taking a trip to a main destination outside his/her usual environment, for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited.” (IRTS, 2008)
Travel of domestic, inbound, or outbound visitors is called domestic, inbound or outbound tourism, respectively. Tourism is therefore a subset of travel and visitors are a subset of travellers.

A further important factor is the duration of a trip. A visitor is classified as a tourist if his/her trip includes an overnight stay, or excursionist (sometimes referred to as day visitor) otherwise.

2.1 The Usual Environment

The International Recommendations on Tourism Statistics (IRTS, 2008) from the World Tourism Organisation (WTO) defines the Usual Environment as, ‘the geographical area within which an individual conducts his/her regular life routines.’

The WTO is not particularly clear on how we should determine what is the usual environment except that it should be based on following criteria;

- Frequency of the trip (regular everyday trips would be excluded)
- Duration of the trip (usually taken to be of more than three hours when considering excursionists).
- The crossing of administrative or national borders (this could present problems if an individual lives close to an administrative border e.g. a local authority)
- Distance from the place of usual residence (there is no particular guidance on this issue and to some extent it is country and locality specific).

This is specific to individuals in that two people in the same household could possess different usual environments. The usual environment of an individual includes the place of usual residence of the household to which he belongs, his own place of work or study and any other place that he visits regularly and frequently, even if this place is away from his usual residence.

It is important to also recognise the importance of second homes in this context which are visited by members of the household mostly for the purposes of recreation, vacation or any other form of leisure.

One approach to defining the usual environment is to determine where people normally carry out everyday activities, such as the area where they live, the area where they work, and the where they go to shop. Trips away from these locations would then be classed as outside the ‘usual environment’. For excursionists, for example, further detail can be included such as how long the trip lasted (more than three hours, for instance), or how far the excursionist travelled to get to the destination and back.

2.2 How do we define visitors?

There are two main categories to consider when we try to define a visitor and these are whether the visitor is International or Domestic.

International visitors are defined as such by the purpose of their trip and include returning resident outbound visitors and arriving inbound visitors in the case of non-residents. These are categorised as visitors by the purpose of their trip, and are distinguished from International travellers who are not considered in tourism statistics because this would include purpose of trip reasons such as refugees or migrant workers.
A domestic traveller qualifies as a domestic visitor if: they are on a tourism trip, or if it is a resident travelling within their own country of residence.

**Box 1 Visitor classification**

- Domestic tourism comprises the activities of a resident visitor within the country either as part of a domestic trip or part of an outbound trip.
- Inbound tourism comprises the activities of a non-resident visitor within the country on an inbound trip.
- Outbound tourism comprises the activities of a resident visitor outside the country, either as part of an outbound trip or as part of a domestic trip.

These can be combined to form a further classification of visitors:
- Internal tourism = domestic and inbound tourism
- National Tourism = domestic tourism and outbound tourism
- International Tourism = inbound and outbound tourists.

These three classifications are important as they are used, for example, in Eurostat regulations on tourism statistics.

### 2.3 Further demand side definitions

A travel party refers to visitors travelling together on a trip and whose expenditures are pooled. This differs from organised ‘group’ travel where individuals travel as part of a larger group but are not pooling expenditure.

*Main Purpose of Trip.* This concept helps to determine whether the trip is actually a tourism trip or not, and for characterizing tourism expenditure patterns. It is important to note that each tourism trip has one and only one main purpose though a visitor can also undertake secondary activities while on his/her trip.

The main purpose of tourism trips can be classified as follows in Box 2 (IRTS, 2008).
Box 2  Purpose of Trip

<table>
<thead>
<tr>
<th>1. Personal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1. Holidays, leisure and recreation</td>
</tr>
<tr>
<td>1.2. Visiting friends and relatives</td>
</tr>
<tr>
<td>1.3. Education and training</td>
</tr>
<tr>
<td>1.4. Health and medical care</td>
</tr>
<tr>
<td>1.5. Religion/pilgrimages</td>
</tr>
<tr>
<td>1.6. Shopping</td>
</tr>
<tr>
<td>1.7. In Transit</td>
</tr>
<tr>
<td>1.8. Other</td>
</tr>
<tr>
<td>2. Business and professional</td>
</tr>
</tbody>
</table>

It is important that these trip purpose categories are adhered to when undertaking visitor surveys, for example. Further guidance is provided on this in Guidance Note Three in this series.

*Duration of a trip or visit.* The volume of tourism can be characterised by number of nights, as duration of stay is highly correlated with total expenditure. The duration of a trip that includes an overnight stay is expressed in terms of the number of nights. When collecting data on the duration of a trip it is necessary, as a minimum, to classify this according to short breaks and longer periods, for example 1-4 nights, and 4 nights and longer. At the local level of data collection a finer level of detail may be required than this and this will depend on the use to which the data is required, for example for marketing purposes.

*Origin and Destination.* When dealing with Inbound trips it is essential to classify all arrivals by country of residence rather than nationality. This is an issue for national surveys in particular, for instance the International Passenger Survey (IPS). Outbound trips by UK residents are classified by the main destination of the trip (in other words the country visited).

At the sub-national level, it is essential to characterise trips according to the place of usual residence of the visitor, his/her personal characteristics, and the main destination of the trip. For same-day visits or excursions this may be further complicated by the fact that the trip origin could be the location of an overnight visit (not the home address) and the day trip is made from that location (for example, from a hotel, caravan park, B&B). This origin information should be considered when collecting visitor information.

*Modes of transport.* We would normally refer to the main mode used by the visitor on the trip, and this can be established in three different ways:
• The mode on which the most distance is covered.
• The mode on which most time is spent.
• The mode which has the highest share of the total transport cost.

The modes of transport that should be considered, for example in a visitor survey, should be based on the classification shown in box 3.
Box 3 Classification of modes of transport

1. Air
   1.1 Scheduled flight
   1.2 Unscheduled flight
   1.3 Private aircraft
   1.4 Other modes of air transport

2. Water
   2.1 Passenger line and ferry
   2.2 Cruise ship
   2.3 Yacht
   2.4 Other modes of water transport

3. Land
   3.1 Railway
   3.2 Motor coach or bus and other public road transportation
   3.3 Vehicle rental with driver
      (i) taxis, limousines and rental of private motor vehicles with driver
      (ii) rental of man or animal drawn vehicles
   3.4 Owned private vehicle (with capacity for up to 8 persons)
   3.5 Rented vehicle without operator (with capacity for up to 8 persons)
   3.6 Other modes of land transport: horse back, bicycle, motorcycles, etc.
   3.7 On foot

These categories should be included when considering the mode of transport when collecting information on visitors.

Types of accommodation. There are many different types of accommodation available to visitors and these are detailed in the International Recommendations on Tourism Statistics (IRTS, 2008). This can extend from a five star hotel to staying with friends while on a trip. However, when trying to assess the impact of various types of accommodation in terms of turnover or employment, it is helpful to follow a breakdown based upon ‘Standard Industrial Classifications’. These are summarised below and provide a minimum range of accommodation that we might wish to collect, particularly, business data upon but is also of use when asking visitors in what type of accommodation they have stayed in.

- Hotels and similar accommodation
- Youth hostels
• Recreational vehicle parks, trailer parks and camping grounds
• Holiday centres and villages
• Other holiday and other collective accommodation
• Other accommodation
• Rented Accommodation (short term holiday lettings)
• Second Homes

2.4 Tourism Expenditure
Tourism Expenditure refers to the amount paid for the acquisition of consumption goods and services, as well as valuables, for and during tourism trips. It includes expenditures by visitors themselves, as well as expenses that are paid for or reimbursed by others.

Any consumption goods or services can be included. This may include standard products such as accommodation or food, but also other products such as valuables (works of art etc.), durable consumer goods (computers etc), all food prepared and without preparation, all manufactured items whether locally produced or imported, all personal services and so on.

2.4.1 How do economies benefit from tourism expenditure?
There are various categories of tourism expenditure which are summarised in Box 4.

<table>
<thead>
<tr>
<th>Box 4</th>
<th>Categories of tourism expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Domestic tourism expenditure: tourism expenditure of a resident visitor within the country of reference</td>
</tr>
<tr>
<td></td>
<td>Inbound tourism expenditure: the tourism expenditure of a non-resident visitor within the economy of reference.</td>
</tr>
<tr>
<td></td>
<td>Outbound tourism expenditure: tourism expenditure of a resident visitor outside the economy of reference.</td>
</tr>
</tbody>
</table>

From these definitions we can derive two more;

Internal tourism expenditure comprises all tourism expenditure of visitors both resident and non-resident, within the economy of reference. Internal tourism expenditure = domestic tourism expenditure + inbound tourism expenditure. It also includes imports sold to visitors.

National tourism expenditure comprises all tourism expenditure of resident visitors within and outside the economy of reference. National tourism expenditure = domestic tourism expenditure + outbound tourism expenditure.
It is important to note that goods bought in the country of origin before an international trip are considered tourism expenditure, but should be attributed to the country of origin, and not to the country of travel.

### 2.4.2 Classification

In order to relate demand to supply, not only should total tourism expenditure be measured, but the components which make it up. Thus, data collected for demand and supply should be classified in a uniform way in which to make both measures comparable, and these are set out in Table 1 below in terms of the services that tourists consume and the activities that generate these.
Table 1: The Tourism Industries and Consumption Products

<table>
<thead>
<tr>
<th>Products</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Accommodation services for visitors</td>
<td>1. Accommodation for visitors</td>
</tr>
<tr>
<td>2. Food and beverage serving services</td>
<td>2. Food and beverage serving activities</td>
</tr>
<tr>
<td>3. Railway passenger transport services</td>
<td>3. Railway passenger transport</td>
</tr>
<tr>
<td>4. Road passenger transport services</td>
<td>4. Road Passenger transport</td>
</tr>
<tr>
<td>5. Water passenger transport services</td>
<td>5. Water passenger transport</td>
</tr>
<tr>
<td>6. Air passenger transport services</td>
<td>6. Air Passenger transport</td>
</tr>
<tr>
<td>7. Transport equipment rental services</td>
<td>7. Transport equipment rental</td>
</tr>
<tr>
<td>8. Travel agencies and other reservation services</td>
<td>8. Travel agencies and other reservation services activities</td>
</tr>
<tr>
<td>9. Cultural services</td>
<td>9. Cultural activities</td>
</tr>
<tr>
<td>10. Sports and recreational services</td>
<td>10. Sports and recreational activities</td>
</tr>
</tbody>
</table>

(source: IRTS, 2008)

When collecting information on tourism expenditure (for example through visitor surveys), it is important that the tourism characteristic products highlighted in Table 1 are covered in terms of the breakdown in Box 5.
Box 5   Tourism Expenditure Categories

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

This list may be added to, for example through further delimiting expenditure on shopping into durable or valuable goods and perishable goods, for example food and drink not consumed on the establishment premises.

Tourism characteristic products are those that satisfy one or both of the following criteria:

- Tourism expenditure on the product should represent a significant share of total tourism expenditure
- Tourism expenditure on the product should represent a significant share of the supply of the product in the economy. This criterion implies that the supply of a tourism characteristic product would cease to exist in meaningful quantity in the absence of visitors (IRTS, 2008).

3. Supply Side Definitions

When we talk of the supply side of tourism we are really talking about the provision to visitors of the goods and services that make up tourism expenditure. This Tourism Supply will be made up of the activities of a wide range of sectors or industries. Within this we are interested in analysing data for individual establishments that produce the goods or services that tourism consumes. The 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.’ In this respect each unit belonging to a chain will be considered as a separate establishment. This is an important distinction as often data, for example on turnover, is collected for ‘head office’ locations and not at the establishment level. Wherever possible we should seek to undertake analysis at the establishment level (the location where tourists consume goods and services).

3.1 The Main Tourism Industries

In this section we outline some specific measurement issues relating to the main tourism industry groupings:

- Accommodation for visitors
- Food and beverage serving activities
• Passenger transportation
• Travel Agencies and other reservation activities
• Cultural Activities
• Sports and Recreation activities
• Country specific tourism goods and services

3.1.1 Accommodation for visitors

It is important that accommodation is classified in such a way that the information contained can be appropriately linked to the data obtained on the demand side. We have already seen how this classification can be broken down into different categories of accommodation as shown in the following table. Any analysis of the accommodation sector should take into account the following categories where possible.

• Hotels and similar accommodation
• Youth hostels
• Recreational vehicle parks, trailer parks and camping grounds
• Holiday centres and villages
• Other holiday and other collective accommodation
• Other accommodation
• Rented Accommodation (short term holiday lettings)
• Second Homes

Accommodation services are provided, either on a commercial (market) basis, that is as a paid service; or on a non-commercial (non-market) basis, either, as a service provided without charge by family or friends, or on own-account (owner-occupied vacation homes).

The accommodation units provided can take many forms; fully serviced and furnished guest rooms or suites; completely self-contained units of one or more rooms with kitchen, with or without daily and other regular housekeeping services. They can consist of shared accommodation units such as in youth hostels. The services provided may include a range of additional ones such as food and beverage services, parking, laundry services, the use of swimming pools, exercise rooms, recreational facilities and conference and convention facilities. One or more of these characteristics can be chosen for setting up market segments.

In many cases surveys of accommodation establishments are the most important information source on supply as it normally relatively easy to obtain. In a more detailed regional breakdown the data of the accommodation statistics are most frequently the only source of information on tourism flows. To depict tourism flows the number of arrivals and nights spent are the most used indicators. Of these two, nights spent are more appropriate to reflect the performance of the accommodation industry and the impact of the tourists stay for the place visited as this indicator takes into account the full effect of the duration of the stay. Dividing the number of nights spent by the number of arrivals provides the average length of stay which can be used as an analytical indicator to offer additional information on the kind of tourism in a country or region.

The following variables are most frequently used to describe the accommodation capacities:
• Months operating in the year;
• Number of rooms or accommodation units (gross, net) (the net indicator takes into consideration the fact that rooms might not always be available for guest accommodation);
• Number of bed places (gross, net) (the net indicator takes into consideration the fact that bed places might not always be available for guest accommodation);
• Occupancy rates (gross, net) by rooms or accommodation units (an indicator to be associated with revenue per room);
• Occupancy rates (gross, net) by bed places (an indicator to be associated with flows of visitors);
• Revenue per available room (REVPAR).

3.1.2 Food and beverage serving activities
A feature of food and beverage serving activities is that, although they are considered tourism characteristic activities, establishments in these industries also cater to a large degree to non-visitors or local residents. For some establishments but also for the industry as a whole, these non-visitors might represent the majority of customers, permanently or at certain times of the year only.

As is the case for accommodation for visitors, food and beverage serving activities can also be provided, on a non-market basis, by family, friends or relatives. For this reason, it is important to classify visitors by type of accommodation (identifying separately non-market or serviced accommodation) as well as purpose of trip (identifying visiting family and friends) in order to be able to validate the amount of expenditure in food and beverage serving services by different categories of visitors.

Different categories of establishments providing food and beverage services in each country should be identified, although there is no general classification that would fit all the variants. For example, there are generally full-service restaurants with or without beverage service, sometimes referred to as fine dining, family restaurants with full service, self-service restaurants or cafeterias with seating, take-out or take-away establishments, stands or street vendors with fixed locations, bars, and night clubs.

Some additional non-monetary information associated with formal and organized types of producers, might be of interest and are shown in Box 6.
### Box 6  Non monetary items relating to the food and drink sector

For restaurants with seating:
- Total number of clients that can be accommodated per serving
- Number of tables
- Number of seats
- Number of meals that can be served daily
- Number of meals actually served

For take-out establishments:
- Number of meals that can be served daily
- Number of meals actually served
- For bars and night-clubs:
  - Number of customers
  - Number of drinks actually served

### 3.1.3 Passenger transportation

“Long distance passenger transport activities are to be considered as tourism characteristic activities. The expenditure on transportation often represents an important share of total tourism expenditure by visitors, particularly in the case of visitors travelling by air” (IRTS, 2008).

For analytical purposes, passenger transportation is usually considered under two different categories: transportation to or from the destination, and transportation at the destination. This is particularly important in the case of international travel, because of the need to identify the economy that will benefit from the expenditure associated with transportation. In order to do this, it is necessary to identify the residence of the carrier(s), a process which might be problematic when more than one carrier is involved. In the case of domestic travel it is necessary to identify where the service is delivered and who is the service provider in order to identify the economy (at the national or local level) that benefits from the expenditure. It is important to classify trips by the main mode of transport (as seen previously) but it should be noted that this may not result in all types of transport used on the trip being accounted for.

Some additional non-monetary information associated with the supply of transportation services, are of interest, and these are shown in Box 7.
Box 7  Non monetary items relating to the transport sector

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-kilometers/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

3.1.4 Travel agencies and other reservation activities

Visitors (or potential visitors), when planning and organizing their trip, often use the services of travel agencies in order to get information on different alternatives and for making their bookings (transport, accommodation, recreation activities either packaged or individually purchased, etc.). Their function consists mainly of selling the right to use a certain service provided by others at a certain moment in time and within certain conditions. Their role is to provide information and other services to the visitor and they are the intermediary in the purchase of certain services, although they might also provide additional services such as accompanying tours, guiding services, etc.

These agencies and reservation services operate in some ways as “retailers” of these services that are sold to the public. However, their function is different from that of a retailer of a good because it is still the producer of the service who finally serves the consumer. There is no substitution of relationships, only an efficient way for producers to make their products available to the public and sell them.

Their functions consist mainly of selling the right to use a certain service provided by others at a certain moment of time and within certain conditions. Gross revenues of travel agencies on reservation services are of three kinds;
- Those collected directly from visitors through a specific invoice.
- Gross commercial margins representing retail trade services when travel agents remunerate themselves implicitly through a retail trade operation.
- Commissions paid by the providers of tourism services when they operate as their agents, similar in operation to retail trade services on a fee or contract basis.

It is worthwhile to further define some sub-categories of interest within the travel agency sector.
Tour operators: businesses that combine two or more travel services and sell them through travel agencies or directly to final consumers a single product for a single price.

Package tour: should not be viewed as a product per se, but rather as the sum of its components, including the gross margin of the tour operator and that of the travel agency that sells it to the public.

Gross margin of tour operator: is the price that the visitor pays to the operator minus the value of the components that make up the tour at the prices the operator paid for those components.

In addition to the information on their own activity, travel agencies and other reservation activities constitute an important source of information on the services that are purchased through their intermediation, both in monetary terms as well as in non-monetary terms.

Travel agencies should be able to provide quantitative information on the number and values of products sold, categories of destinations, types of clients – business, others, (trips and/or packages either domestic/outbound/inbound), and other information. In summary travel agencies should hold information on the following:

- Domestic trips
  - Trips without package
  - Domestic packages
- International trips
  - Inbound trips without package
  - Outbound trips without package
  - Inbound package
  - Outbound package

3.1.5 Cultural Activities
Cultural activities when applied to the tourism sector include a number of sub-classes in terms of the Standard Industrial Classifications (SIC) proposed in International Recommendations, in particular:

- Performing arts
- Support Activities for the performing arts
- Artistic creation
- Operation of arts facilities
- Museums activities
- Operation of historical sites and buildings and similar visitor attractions
- Botanical & zoological gardens and nature reserves activities (IRTS, 2008).

3.1.6 Sports and Recreation activities
The following Standard Industrial Classification sub categories are used to determine the make up of sports and recreation activities that are relevant to tourism:

- Gambling & betting activities
• Operation of sports facilities
• Other sports activities
• Activities of amusement parks and theme parks
• Other amusement and recreation activities (not covered elsewhere)
• Renting and leasing of recreational and sports goods (IRTS, 2008).

3.1.7 Country specific tourism goods and services
Country specific tourism goods are highlighted in the International Recommendations on Tourism Statistics (IRTS, 2008) as an area where there can be some latitude or flexibility in including certain SIC categories that might be of particular importance in the context of the tourism sector of individual countries. In the case of the UK the country specific SIC categories attempt to capture the important activities of exhibition, fair and conference organisation.

• Activities of exhibition and fair organisers
• Activities of Conference Organisers

3.2 Employment
When considering Tourism Employment we need to restrict our definition to those employed within the previously defined tourism industries (Table 1 in this guidance note).

According to international recommendations, there exist three measures of employment within the tourism sector.

• A count of the persons employed in the tourism industries in any of their jobs.
• As a count of the persons employed in tourism industries in their main job.
• As a count of the jobs in tourism industries.

When considering employment within tourism, people working within the sector can be classified in one of the following categories.

Paid employment. This relates to all those persons who, during a specified period, performed some work for wage or salary in cash or in kind, in other words all those who are classed as At Work.

Self-employment. At Work refers to persons who during the reference period performed some work for profit or family gain, in cash or in kind.

With an enterprise but not at work refers to any person with an enterprise, which, for example may be a business enterprise, a farm or a service enterprise, who are temporarily not at work during the reference period for any specific reason. Self-employment jobs are those jobs where the remuneration is directly dependent on the profits (or the potential of profits) derived from the goods and services produced.

Self-employed can be divided into two groups, those with and those without paid employees. Those with paid employees are classified as employers and those without paid employees are classified as own-account workers. In addition, self-employed also include contributing family workers and members of producers’ co-operatives.
Employment related to Demand and Supply. With regards to the demand side, the statistical unit of employment is jobs. With regards to the supply side, the statistical unit is person employed. Some people may have more than one job, in which case the primary job will be the one in which most time is spent and/or generates the most income. The other(s) will be secondary jobs.

Thus, employment can be expressed in terms of:

- Number of persons
- Number of jobs (full time/part time)
- Number of hours of work
- Full-time equivalent employment

In order to adequately analyse employment in the tourism industries, it is recommended internationally that at the national level a set of key variables (shown in Box 8) for each of the tourism industries previously identified should be collected (IRTS, 2008).

<table>
<thead>
<tr>
<th>Box 8</th>
<th>Tourism employment variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Employment by age group, sex and nationality/country of residence (if relevant);</td>
<td></td>
</tr>
<tr>
<td>• Employment by type of establishments (size, formal, informal, etc.);</td>
<td></td>
</tr>
<tr>
<td>• Employment classified by occupation and status in employment;</td>
<td></td>
</tr>
<tr>
<td>• Permanent/temporary employment expressed in terms of number of jobs, hours of work, full-time equivalent, etc.</td>
<td></td>
</tr>
<tr>
<td>• Employment by educational attainment.</td>
<td></td>
</tr>
<tr>
<td>• Hours of work (normal/usual, actually worked, paid for).</td>
<td></td>
</tr>
<tr>
<td>• Working time arrangements.</td>
<td></td>
</tr>
</tbody>
</table>

The collection of data on employment in the tourism industries can be a complex process. By its nature, employment in the tourism industries can be undertaken either in paid employment or self-employment. In order to achieve a better coverage and get more detailed characteristics of persons employed, it is necessary to use the following major sources of data collection: (i) household-based sample surveys, such as the ONS Labour Force Survey; (ii) establishment-based sample surveys, such as the ONS Annual Business Inquiry; and (iii) administrative records, such as the ONS Inter Departmental Business Register. Guidance Note 5 in this series considers the measurement of the supply side of tourism in more detail.
References