

RESEARCH

# STUDY OF THE CANADIAN TOURISM SATELLITE ACCOUNT (CTSA)

## COMPARISON OF TSA-RMF AND CTSA

Research  
report  
2004-4

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CANADIAN  
TOURISM  
COMMISSION



COMMISSION  
CANADIENNE  
DU TOURISME



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# **Study of the Canadian Tourism Satellite Account (CTSA)**

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Comparison of TSA-RMF and CTSA

Phase I Final Report

Prepared for the:

Canadian Tourism Commission  
for Macroeconomic and Statistics Sub-Committee of  
the World Tourism Organisation  
March 8-9, 2004

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## **List of abbreviations and acronyms**

<b>BOP</b>	Balance of Payments
<b>BPM 5</b>	Balance of Payments Manual 5 (1993)
<b>CPC</b>	Central Product Classification
<b>CSNA</b>	Canadian System of National Accounts
<b>CTS</b>	Canadian Travel Survey of Statistics Canada
<b>CTSA</b>	Canadian Tourism Satellite Account, 1998
<b>EUROSTAT</b>	Statistical Office of the European Communities
<b>GDP</b>	Gross Domestic Product
<b>IMF</b>	International Monetary Fund
<b>ISIC.Rev. 3</b>	International Standard Industrial Classification of all Economic Activities, Revision 3
<b>ITS</b>	International Travel Survey(s) of Statistics Canada
<b>NAICS</b>	North American Industry Classification System, 1998, 2002
<b>NPISH</b>	Non-profit Institutions Serving Households
<b>OECD</b>	Organisation for Economic Cooperation and Development
<b>SIC</b>	Standard Industrial Classification, 1980, Statistics Canada
<b>SICTA</b>	Standard International Classification of Tourism Activities
<b>SNA 93</b>	System of National Accounts, 1993
<b>STC</b>	Statistics Canada
<b>TCP</b>	Tourism characteristic products
<b>TEA</b>	Tourism economic accounts, (OECD)
<b>TSA-RMF</b>	Tourism Satellite Account: Recommended Methodological Framework (CEC, OECD, WTO, UN, published 2001)
<b>UNSC</b>	United Nations Statistical Commission
<b>WTTC</b>	World Travel and Tourism Council
<b>WTO</b>	World Tourism Organization



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# Foreword

## I.1 Objective of Project

The objective of this project, as outlined in the Terms of Reference, was to provide guidance and direction to the Canadian Tourism Commission (CTC) and Statistics Canada (STC) on where the Canadian Tourism Satellite Account (CTSA) and its provincial counterparts could and should be improved, refined or further developed in order to

- (a) bring the Canadian Tourism Satellite accounts into closer harmony with the international standards for Tourism Satellite Accounts, the most important being the Tourism Satellite Account: Recommended Methodological Framework (TSA-RMF) developed by the Commission of the European Communities, the Organisation for Economic Cooperation and Development (OECD), the World Tourism Organisation (WTO) and the United Nations (UN), and approved by the United Nations Statistical Commission in March 2000.
- (b) bring the CTSA into closer congruence with user requirements, especially those of industry users, for analysis and information.

The work was to be divided into two phases: the first corresponding to the requirements for presentation to the Macroeconomic and Statistics subcommittee of the WTO in February/March 2004 and the second, to further develop aspects of the work required in the Canadian context, such as the views of users on the directions that have been taken and might be taken in the future in the development work of the CTSA.

### Phase I

In order to achieve the stated objectives for this phase it was necessary to review and compare the Canadian TSA against the international standard (TSA-RMF) by identifying, and evaluating conceptual, definitional and measurement issues as well as classification differences with regard to industries and products.

The approach taken has been to focus on areas where differences exist between the CTSA and TSA-RMF. These differences include the presentational aspects as well as the points mentioned above.

### Phase II

The second broad component of the study will focus on the requirements of users and their evolving perceptions of present needs for information based on a TSA.

Suggestions will be made as to possible directions for further development of the Canadian TSA taking into consideration the findings of the comparative study with the TSA-RMF and the needs of Canadian users.

## I.2 Project Team:

The Project was undertaken by two consultants

Katharine Kemp and Shaila Nijhowne



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### **I.3 Project deliverables:**

#### **Phase I**

Interim draft report on December 15, 2003

Delivered as agreed on December 23, 2003

Draft report on January 15, 2004

Delivered on January 15, 2004

Final Report delivered as agreed on February 25, 2004

The Report was written as a Report for the Macroeconomic and Statistics Sub-committee of the World Tourism Organisation. It is reproduced below.

#### **Phase II**

Final report on June 30, 2004

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## Preface

This study is the first part of a two- part study.

The aim of this first part was to review and compare the Canadian Tourism Satellite Accounts (CTSA) with the international standard for Tourism Satellite Accounts, the most important being the *Tourism Satellite Account: Recommended Methodological Framework* (TSA-RMF) developed by the Commission of the European Communities, the Organisation for Economic Cooperation and Development (OECD), the World Tourism Organisation (WTO) and the United Nations (UN), and approved by the United Nations Statistical Commission in March 2000.

It has identified and evaluated, conceptual, definitional and measurement issues as well as product and industry classifications, drawn attention to differences and data gaps and made some recommendations with respect to TSA -RMF.

The second part will develop recommendations for further development of CTSA taking into account the conclusions of the first part and the views of users on the directions that have been taken and might be taken in the future in the development work of the CTSA.

The study was undertaken by two consultants:

Katharine Kemp and Shaila Nijhowne

### **Acknowledgments**

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# 1. Introduction

## 1.1 Historical background<sup>1</sup>

### **Leading to 1991 International Conference on Travel and Tourism Statistics, Ottawa, June 1991**

The Ottawa conference represented the culmination of efforts, in the second half of the 70s and especially the 80s, by international organizations (especially UN, WTO, OECD) and a number of countries of which Austria, Spain, Canada and France were pioneers, in measuring the economic impact of tourism. The conceptual work of Austria and Spain preceded the development of the international TSA, focussing on a set of Tourism Economic Accounts (TEA) that were supplementary to the SNA before SNA 93 revised guidelines were adopted. Within OECD, tourism data collection and analysis was being developed in the Statistical Working Party of the OECD in the 1980s; since then, the TEA has constituted a useful instrument for policy analysis.

At the Ottawa conference, Statistics Canada presented a scheme<sup>2</sup> to establish a credible and comparable means for assessing tourism economic activities in relation to other industries in a domestic economy, developing a framework for relating other relevant data regarding tourism activities in an organized and consistent manner, and ensuring a means of friendly access to the data base by potential users. The scheme extended beyond the measurement of the economic impacts, elaborating in addition, methods to measure the characteristics and capacity of the industry, and a framework to bring together and integrate statistics from a variety of sources concerning tourism supply and demand. The Statistics Canada scheme was developed using as its foundation, an earlier study to examine the feasibility of applying the principles of satellite accounting to the tourism industry, which was part of the work of the Canadian National Task force on Tourism Data (1984-1986). The *National Task Force Report* on the proposed satellite account was released in May, 1987. The recommendations of this report provided the basis of a proposal to the WTO, to organize an international conference on Tourism Satellite Accounts. This conference was held in Ottawa in June, 1991.

### **1991-1999: Initiatives resulting in the Enzo Paci World Conference on the Measurement of the Economic Impact of Tourism, Nice, France, June 1999.**

By the time of the Nice conference, many initiatives from the Ottawa conference had begun to materialize, and the number of countries developing TSAs had also increased. In addition to Governments, the private sector had developed some initiatives of its own.

In 1994, the United Nations and WTO published the *Recommendations on Tourism Statistics*, containing the recommendations on tourism statistics proposed by WTO as the follow-up to the Ottawa conference, and the *Standard International Classification of Tourism activities (SICTA)*, both of which were adopted by the United Nations Statistical Commission (UNSC) at its 27<sup>th</sup> session.

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1 From *Tourism Satellite Account: Recommended Methodological Framework*, pps 6-10.

2 A *Proposal for a Satellite Account and Information System for Tourism, Discussion paper* delivered to the International Conference on Travel and Tourism Statistics, sponsored by the World Tourism Organization, June 26, 1991, Ottawa, Canada. Presented by Stewart Wells

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The Statistical Office of the Commission of the European Communities (EUROSTAT, CEC) has also developed programmes, and carried out studies on tourism statistics. It has prepared a community methodology on tourism statistics compatible with United Nations/WTO standards, which is adapted to the specific needs and context of the member states of the CEC. Special mention should be made of the CEC Council directive on the collection of statistical information in the field of tourism, which was approved in 1995. This directive is aimed at harmonizing and improving the statistical data produced by member states, and constitutes the first legal step taken to create an integrated system of information on tourism supply and demand.

Canada stands out among the countries that have developed tourism satellite accounts during this period, having published the results of a TSA developed by Statistics Canada (July, 1994). Since then, many other countries have either published their TSAs or have developed rigorous pilot exercises. As of October 2002, 37 countries were included in this category.

Within the private sector, the World Travel and Tourism Council (WTTC) developed an approach to the quantification of the economic impact of tourism. The methodology focuses on the quantification of the impact of visitor consumption through a simulation model. The model includes direct and indirect impacts associated with capital investment, government expenditures and foreign trade, including the increased demand for goods and services generated by the movement of persons all over the world. WTTC favours a demand-side approach, with a comprehensive definition of its scope, linked by economic models to supply-side concepts. Its research relies heavily on economic modelling techniques.

In 1997, the OECD Tourism Committee made its first proposal for a tourism satellite account for OECD countries.

**1999-2000: process leading to the adoption of the *Tourism Satellite Account: Recommended Methodological Framework (TSA-RMF)* by the Statistical Commission of the United Nations, (UNSC) March 2000.**

In September 1999, after the WTO Enzo Paci World Conference on the Measurement of the Economic Impact of Tourism, a WTO-OECD-Eurostat Intersecretariat working group was created to establish a common conceptual framework for the methodological design of the TSA.

SNA 93 had advocated the creation of Satellite Accounts and in December 1999 the WTO had submitted a document for consideration by the UNSC entitled *Draft Tourism Satellite Account: methodological references*. The work done by the three secretariats resulted in an agreement on the basic changes to be made to the submitted document. The issues and drafting changes agreed to were reflected in a background document presented by WTO, OECD, and Eurostat to the UNSC, containing proposed amendments.

At its thirty-first session, the UNSC endorsed the draft document as amended, which constitutes the content of the TSA- RMF. As a result of this process, each of the organisations agreed that they were now in a position to promote TSA-RMF implementation in their respective member countries.

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## 1.2 Canadian Tourism Satellite Account (CTSA)

The conceptual framework of the Canadian Tourism Satellite Account (CTSA) of Statistics Canada, had been developed independently much earlier, and had continued in parallel, drawing upon the international discussions surrounding the development of TSA-RMF. The development of TSA-RMF, in turn, drew on the experience of countries such as Canada, Sweden, and Austria, even as its main aim, following the adoption of SNA 93, was that the Recommended Methodological Framework for a Tourism Satellite Account should be the first Satellite Account of SNA 93.

This Report outlines the results of assessing the main concepts and definitions of the Canadian Tourism Satellite Account (CTSA)<sup>3</sup> against those of TSA-RMF and evaluates how closely the Canadian system compares with the approach recommended by the approved international framework. Given the central role of Tables 1-6 and 10 of TSA-RMF, this report also examines the extent to which their content compares with CTSA. The structure of the paper follows the order of TSA-RMF. For ease of reference it uses some of the main headings and paragraph numbers of TSA-RMF.

It is necessary to keep in mind the fact that the international framework of TSA-RMF is a satellite account of the UN System of National Accounts (SNA93), which in turn uses the concepts of and data compiled for, the Balance of Payments (BPM 5) of the IMF. It also uses the relevant United Nations international classifications of products, industries and international transactions (ISIC, CPC and the BOP Classification of International Transactions in Services). The Canadian TSA is a satellite account of the Canadian adoption of SNA 93 and BPM 5. The underlying differences between these international standards and guidelines and their Canadian adoption, mean that not all of the recommendations of TSA-RMF can be adopted in Canada. With respect to the classifications, CTSA uses Canadian I/O categories based on its own product classification and standard industrial classifications (SIC and NAICS). Whether CTSA definitions of products and industries can be compared to those of TSA-RMF depends upon the extent to which the content of the classes of the classifications are similar or can be converted to the international categories. This topic is discussed further in Section 4.0 of the paper.

While the first Canadian TSA, published in 1994, was a presentation of the national perspective, subsequent versions of the CTSA (1996 and 1998) incorporate, in addition, separate accounts for the provinces and territories. The References section contains the titles of related publications.

## 1.3 SNA 93 and the Canadian SNA<sup>4</sup>

The Canadian System of National Accounts diverges from the concepts of SNA 93 in some respects that affect the measurement of tourism. As is noted in the body of the report, these specifically Canadian applications of SNA 1993 have an effect on the matching of the concepts and definitions of CTSA and TSA-RMF. The issues treated differently in Canada include the specification of definitions of final household expenditure and actual final consumption, the modified basic prices valuation of goods and services used in Canada, net valuation of the services of travel agencies and tour operators and the SNA 93 definition of business expenses, which includes accommodation and transportation as part of intermediate consumption, while expenditure on meals for business purposes is treated as remuneration of employees. SNA 93 has also recommended a method of valuation of the output of

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3 CTSA, 1998

4 *Remaining Differences between the 1997 Canadian System of National Accounts and the 1993 International System of National Accounts*, p.8. Kishori Lal, Statistics Canada, Ottawa, June 2003, Statistics Canada catalogue no. BF0031/MIE

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goods and services produced for the market, at “basic prices” which has been modified for the CSNA. SNA 93 defines basic prices as “the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable and plus any subsidy receivable on that unit as a consequence of its production or sale”.

CSNA has defined a form of “modified” basic prices to value total gross value added of activities. These are also used in CTSA in the measurement of GDP (CTSA Table 2).

The CSNA definition of modified basic price is “the price receivable by the producers from the purchasers for a unit of a good or service produced as output minus any tax payable on that unit as a consequence of its production or sale (i.e. taxes on products)”.

The CSNA has adopted this definition as it is felt that adopting the SNA 93 basic prices definition (i.e. including any subsidies receivable by the purchaser), would mean that the transactions would be reported at “*assumed* prices, a feature that is not very convincing”. This results from the fact that subsidies cannot easily be allocated to the many purchasers, producing units and final consumers of the products, since they are not available in the records of businesses. Including them would then not be a reflection of actual product prices prevailing in the market.

“GDP at market prices in the CSNA, as presented in the input-output tables is identical both on the income and expenditure side, as it is in SNA93”.

“The advantage of the CSNA approach is that the valuation of transactions is transparent and verifiable from enterprise records, a feature not available in SNA93”.

## 1.4 SNA 93 and TSA-RMF

The recommendations of TSA-RMF concerning the handling of tour operators and travel agency services are not yet a part of SNA or BOP guidelines. In order to calculate these services using the “net valuation” approach recommended in TSA-RMF, the value of tour operators’ and travel agencies’ margins are valued separately (unbundled) from the services that they are associated with (transportation, accommodation, tour packages.). This requirement derives from the need for a consistent treatment between tourism services acquired directly, and services of the same type acquired through tour operators or travel agencies.

TSA-RMF and SNA 93 treat business expenditures slightly differently than the CSNA and CTSA. That is, expenditure of employees on business trips on meals for which they are remunerated is measured as part of employee compensation, and not as intermediate consumption. CSNA and CTSA, however, treat expenditure of employees on business trips on meals (as well as transportation and accommodation) for which they are remunerated or paid in cash, as part of intermediate consumption and not as part of employee compensation as recommended by SNA 93 and TSA-RMF.

The implications of these differences are discussed in the following pages. The next sections of the Report compare Demand, Supply, Tables Accounts and Aggregates, Classifications of products and activities and provide some Conclusions and Recommendations.

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## 2. The Demand Perspective: Concepts and Definitions

### A. Visitors

In TSA-RMF “ persons ” referred to in the definition of tourism are termed “visitors”. Visitors are made up of same-day visitors and tourists.

*CTSA uses the term “tourists” to cover the same universe of persons, namely same-day visitors and tourists.*

TSA-RMF defines visitors as “Any person traveling to a place other than that of his/her usual environment for less than 12 months and whose main purpose of trip is other than the exercise of an activity remunerated from within the place visited.” [2.4]

TSA-RMF also mentions that “ a business or commercial traveller may or may not be a tourist according to the place from which he/she is paid and how he/she undertakes his/her activity ” [2.22]. However, it also suggests that the data to exclude such travelers may not be available.

*CTSA defines tourism as “the activities of persons traveling in and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes”.*

*CTSA definition is similar to that of TSA-RMF. Even though the CTSA definition does not explicitly contain the phrase “ and whose main purpose of trip is other than the exercise of an activity remunerated from within the place visited ”, in practice it also excludes commuters and seasonal workers.*

*At this time, no statistical program attempts to collect this information and CTSA does not attempt to separately identify business travelers or consultants that are “remunerated from within the place visited”.*

*Excluded from the definition of visitors in CTSA, as in TSA-RMF are:*

- Border workers
- Temporary immigrants
- Permanent immigrants
- Transit passengers
- Refugees
- Members of the armed forces
- Representatives of consulates
- Diplomats



---

## A.1 Usual environment

TSA-RMF states:

“The usual environment to distinguish a visitor from all other travelers within a location is difficult to define in precise terms. Generally speaking, it corresponds to the geographical boundaries within which an individual displaces himself/herself within his/her regular routine of life.. the usual environment of a person consists of the direct vicinity of his/her home and place of work or study and other places frequently visited. It has two dimensions:

- Frequency: places that are frequently visited by a person (on a routine basis) are considered as part of his/her usual environment, even though these places may be located at a considerable distance from his/her place of residence.
- Distance: places located close to the place of residence of a person are also part of his/her usual environment even if the actual spots are rarely visited” [2.6].

TSA-RMF provides operational guidance,

“National statistical agencies may wish to establish the boundaries of the usual environment in statistical terms by referring to distances travelled, frequency of visits or the formal boundaries of localities or other administrative territories to establish the boundaries of the usual environment.” [2.7].

“.. if the place visited is not part of the usual environment of a person (the visitor) then that visitor is not considered one of the usual “resident consumers” in the place. By definition, his/her visit to the place will generate additional expenditure in this place over and above that generated by resident consumers. This additional expenditure provides the basis for the economic activity generated by tourism and is at the foundation of the TSA.” [2.8]

“The notion of usual environment is an economic definition, and has little to do with legal circumstances: illegal foreigners residing in a country nevertheless have their usual environment within its borders. On the other hand, a legal right to reside in a place does not mean that an individual has that place in his/her usual environment.” [2.9]

*CTSA uses a distance criterion to implement the definition for domestic tourism. The criterion distinguishes any trip of more than 80 km in one direction. However, this criterion and the distance chosen are under active consideration and may change. For international tourism, crossing the international border is the criterion used, without a distance criterion.*

### A.1.1 Usual environment and residence

In defining itself as a Satellite Account of the System of National Accounts, the TSA finds itself having to relate its concepts to those of SNA 93 and the Balance of Payments. Tourism is defined in terms of “usual environment”, the concepts that underlie the SNA and BOP are those of “residence” and “centre of economic interest”. Tourism has a concept of “visitors”, the BOP has a concept of “travelers”. Tourism statistics are concerned with persons and therefore individuals. The SNA and BOP are concerned with institutions and with persons as members of households. Reconciling these concepts leads to issues that are discussed below.

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For purposes of defining “visitors” both TSA-RMF *and* CTSA

(i) exclude commuters and border workers.

TSA-RMF states “Commuting to work ...is not considered a tourism activity” [2.12].

(ii) exclude persons making a permanent move

TSA-RMF states “If an individual leaves his/her place of residence with the intention of establishing residence in a new place, he/she should not be considered as a visitor to this place...” [2.12]

*For CTSA, exclusion of commuters and permanent moves is accomplished by asking questions at the first Canadian Travel Survey (CTS) interview, that screen out these trip types from the coverage of the survey. With respect to international travel, those making permanent moves would be considered as immigrants not tourists. As far as commuters are concerned, they are identified by a question on the Survey(s) of same day automobile travel for US residents and Canadian residents. Commuting to work is one of the list of reasons for the trip. These travelers can be screened out of the counts of tourists.*

(iii) use the one- year rule, with exceptions

TSA-RMF states “If an individual has been in a place for more than one year, this place is considered part of the usual environment. Thus, he/she cannot be considered a visitor to this place ... ” [2.12]

BOP uses the concept of the household and a one-year criterion to distinguish residents from non-residents. Travelers are “individuals staying for less than a year in an economy of which they are not residents for any purpose other than (i) being stationed on a military base or being an employee (including diplomats and other embassy personnel) of an agency of his or her government (ii) being an accompanying dependent of an individual mentioned under (i) or (iii) undertaking a productive activity directly for an entity that is a resident of that economy”

The BOP concept of “traveller” includes commuters and seasonal workers, who work abroad for less than a year, because they are treated as resident household members who leave the economic territory and return to the household after a limited period of time. The individual, therefore, continues to be a resident, even if he or she makes frequent journeys outside the economic territory. This is different from the TSA-RMF concept of visitors

Currently BOP makes certain exceptions to the one- year rule. The one-year rule does not apply to students and medical patients and ship’s crew, who are regarded as remaining members of resident households of their economies of origin, even if their length of stay in another economy is for more than one year. They are treated as travelers whatever their length of stay abroad.

Unlike the SNA and BOP that treat them as members of a household and therefore regard them as residents of the place where their household has its centre of interest, TSA-RMF regards students and persons traveling to receive medical care, as individuals and the university or the hospital or medical facility to be their usual environment. [ 2.13]. TSA-RMF mentions that summer students and those traveling for short medical treatment should be treated as visitors. Therefore, it is full time students and persons traveling for medical treatment in a hospital or similar facility that are not considered to be visitors, and the one-year rule does not apply to them.

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Comparing the two, TSA-RMF's concept of visitor (inbound and outbound) and that of CTSA excludes commuters and seasonal workers presently included in the BOP concept of travelers. In TSA-RMF the treatment of students and persons traveling for medical treatment is such that summer students and those traveling for short medical treatment are treated as visitors. However, (full-time) students and persons traveling for treatment in a hospital or similar facility, are excluded entirely, whereas the BOP, by making an exception to the one year rule, presently includes all students and persons traveling for medical treatment in its concept of traveler, whatever the period for which they go abroad.

*In practice, CTSA excludes students by means of a question on the ITS. Those receiving medical care cannot be identified separately on the questionnaire and are therefore included in the visitor category.*

### **A.1.2 Usual environment and second homes.**

TSA-RMF spells out a concept of second homes, defines the criteria that should be used to identify second homes and recommends that a value be imputed for them.[2.14-2.17]

*CTSA has identified private cottages as an accommodation commodity and measures rental expenditure on private cottages as a form of accommodation on the demand side. Questions on the ITS and the CTS identify "visiting second home, condo or cottage (ITS) and [as type of accommodation] private cottage or vacation home, commercial cottage or cabin (CTS)" and provide the information used to make estimates of expenditure on private cottages. .*

*CTSA makes no imputation for second homes. It will need to examine the recommendations of TSA-RMF and investigate whether to attempt any measurement in the future, after reviewing how it wishes to treat second homes, imputed rents and time share accommodation including the management of time share accommodation and other related issues.*

## **A.2 Duration of stay**

TSA- RMF states:

"For a traveller to be engaged in a tourism activity in a locality, his/her stay in this place must last less than one consecutive year. When a visitor stays in a place for longer than one year, this place becomes part of his/her new usual environment and he/she ceases to be considered a visitor to it." [2.18]

"There are two classes of visitors, same-day visitors and tourists who stay one or more nights." [2.19]

"Most same-day visitors are usually domestic visitors, but there are also cases of international same-day visitors. For some countries, consumption by same-day visitors may constitute an important volume of visitor consumption." [2.20]

With regard to the relevance and importance of separately identifying same-day travel the Recommendations on Tourism Statistics<sup>5</sup> states "In many industrialized countries and in a growing number of developing countries, same-day visits are growing in importance as a part of tourism. Day visits are important to consumers and to many providers, especially tourist attractions, transport operators and caterers. There are demands for information at the regional level, for local administrative areas, for individual sites and for investment decisions of private firms".

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5 Amendments and Changes to 1993 Recommendations on Tourism Statistics, World Tourism Organisation, Comments to WTO Proposal *Recommendations on Tourism Statistics, Para.H. Same-day Travel*, p12.

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“In- transit visitors are a special category. They do not immediately return to their place of origin, but stop in the locality of the country of reference on their way to a different destination. They may include visitors who are legally in transit while remaining in a transit zone, so that they do not enter the country in a customs administration sense, or they may be crossing a location in the territory of a country en route to a different destination. The identification of these visitors may be of interest in some circumstances, numerically or in terms of their economic impact.” [2.21]

*Statistics Canada recognizes and uses the one-year criterion, the same-day/one night or more distinction, and the domestic/international distinction for same-day visitors. CTSA itself does not provide any separate data for same-day visitors, although the files contain some detail for this category, and some information could be presented.*

*“In transit” visitors are identified through a question on the ITS, but they have not been included in CTSA, unless they have cleared customs. (In transit-visitors are often same-day -their possible economic impact is recognized as they may pass through a duty-free zone and buy some goods.)*

### **A.3 Purpose of visit**

In TSA-RMF, even though it is stated that these are not used in the main TSA-RMF Tables, the following categories of purpose of visitors, by main purpose, are suggested

- Leisure, recreation and holiday
- Visiting friends and relatives
- Business and professional
- Health treatment
- Religion, pilgrimages
- Other [2.23]

*The following slightly different classes are identified on the International Travel survey(s) (ITS) and the Canadian Travel Survey (CTS). They are not published as part of CTSA:*

ITS - Main purpose can be separately identified:

- Business
  - Meetings
  - Conventions, conference, trade show, seminar
  - Other work
- Pleasure
  - Holiday, vacation
  - Visit friends or relatives
  - Visit second home, cottage, condo
  - Attend events, attractions
- Other:
  - Personal (medical, wedding, etc.)
  - In transit to/from other countries
  - Educational study
  - Shopping
- Other (specify)

---

Therefore, the detail within main ITS categories of business, pleasure, other is somewhat greater than in the TSA -RMF but ITS does not specifically include **religion, pilgrimage** (although this could be written in, in the last category.)

The CTS contains less detail for tourism within Canada

- Visiting friends or relatives
- Pleasure
- Personal
- Business
- Non-business convention

#### **A.4 Classification of Visitors**

“Countries may wish to further disaggregate and typify their markets, based on additional characteristics of visitors and their trips.” [2.24]

“Two particular categories are considered:

- International visitors whose country of residence is different from the country visited; these international visitors also include nationals residing permanently abroad, who may represent an important segment of the market, with special characteristics
- Domestic visitors, whose country of residence is the country visited: they may be nationals of this country or foreigners” [2.25]

*CTSA distinguishes international and domestic visitors. However, it does not treat military personnel and diplomats and their entourages as international visitors when they travel within Canada.*

TSA-RMF mentions that

“Such distinctions which are required for consistent treatment of visitor activities within the conventions of tourism statistics and national accounts, may ... produce a (minor) discrepancy between border counts of international visitors and the number of such visitors actually acting as visitors within the economy.” [2.27]

Statistics Canada (not CTSA) publishes counts of all travelers, which are different from visitors. The numbers of travelers are higher than they are for visitors and tourists, as the latter groups are subsets of travelers.

(Traveller data are published in Statistics Canada’s electronic database - CANSIM -quarterly and annually, where same day and travelers one night or more are published separately).

*In CTSA, numbers of visitors and tourists can be derived from internal files. Some details are published in reports concerning the ITS and CTS.*

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## B. Visitor consumption

*CTSA uses the term “tourism demand” to identify visitor consumption.*

### B.1 Definition of visitor consumption

In TSA-RMF, the scope of visitor consumption is discussed in Chapter 2, sections B.1-B.6 pp. 18-35. This important topic represents the demand core of the TSA –RMF as well as CTSA. A few differences in concept, approach and coverage between the two frameworks are noted below.

“Visitor consumption consists of visitor actual final consumption and tourism business expenses.

Visitor actual final consumption includes visitor final consumption expenditure in cash and visitor final expenditure in kind, as well as tourism social transfers in kind.”[figure 2.2]

The concept of visitor consumption in TSA-RMF is derived directly from the concepts associated with household final consumption in SNA 1993. “Tourism consumption, except when it corresponds to the intermediate consumption of enterprises, will...conform to the concept of ‘final consumption’ in the system of national accounts, regardless of the type of consumer.” [2.28].

“Visitor actual final consumption by visitors, including individuals who travel for holidays, or personal reasons but also those traveling for business purposes. The consumption of these visitors could be paid by businesses, government or by NPISH. Consequently, the consumption of these visitors is within the scope of visitor consumption, even though this consumption does not fall within household final/actual consumption expenditure.” [2.39]

The second component of visitor consumption is tourism business expenses. These include “the consumption of visitors on business trips that is considered as intermediate consumption of the corresponding production units (expenditure on transport and accommodation of employees on business trips and expenditure made by business, government and NPISH on behalf of guests outside their usual environment.)” [2.59]

### B.2 Household final consumption in the 1993 SNA

The SNA 1993 introduced “differences between the concept of: expenditure on goods and services, household final consumption expenditure and actual final consumption of households. In so doing, it takes into consideration the particularities of the so-called ‘individual non-market services’ for which individual beneficiaries can be identified. In this respect, the SNA 1993 recognizes the difference between the institutional unit that pays for the services and the institutional unit that benefits from them, and proposes a way to transfer the consumption from one unit to another.” These concepts have been carried into TSA-RMF.

*While recognizing the importance of this approach to the measurement of consumption, especially to help international comparability, the Canadian System of National Accounts (CSNA) has not yet moved to introduce this recommendation from the SNA 1993 “due to lack of estimates for government expenditures on individual consumption of goods and services”<sup>6</sup> (for example, in health and education).*

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6 *Remaining differences between The 1997 Canadian System of National Accounts and the 1993 International System of National Accounts*, Kishori Lal, Statistics Canada Ottawa, June 2003. Statistics Canada catalogue no.BF0031/MIE.

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*Since the CSNA estimates of household consumption are the source for visitor consumption in CTSA, it is not yet possible in Canada to present the categories of visitor consumption proposed in TSA-RMF.*

These categories shown in figure 2.1, p 22 of TSA-RMF include:

- Household final expenditure in cash
- Household final expenditure in kind
- Social transfers in kind

*Of these, CTSA can present only household final consumption in cash*

*This is recognized as the most important aggregate for the household sector of the National Accounts, but when considering visitor consumption in CTSA, the other “in kind” components could be quite significant, given the patterns of tourists’ visits to friends and relatives.*

### **B.3 Visitor consumption by business, government and NPISH**

TSA-RMF states:

“The definition of visitors covers not only individuals who travel for holidays or personal reasons but also .....for business purposes. The consumption of these visitors could be paid for by businesses, government or NPISH. Consequently, the consumption of these visitors is within the scope of visitor consumption, even though (it) does not fall within household final/actual consumption expenditure.” [2.39]

“The intermediate consumption of business, Government and NPISH..... reflects that the consumption is part of the process of producing a good or service. ....for government and NPISH, the transactions are recorded differently....their output is estimated using the sum of ... costs, (and) treated as government and NPISH final consumption.” [2.40]

“...the notion of social transfers in kind does not apply to business, government or NPISH consumption, so that the scope of consumption is not as broad as it is for households.” [2.41]

TSA-RMF also states that

“... the payment of wages in kind or in cash by employers is not part of the intermediate consumption of businesses. Instead this is treated in the employers’ accounts as compensation of employees.” [2.41]

*CTSA includes visitor consumption of persons traveling for business purposes paid by business, governments and NPISH.*

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## B.4 Scope and components of visitor consumption

TSA-RMF states:

“The scope of visitor consumption can be determined from the definitions of household actual final consumption, business intermediate consumption and government and NPISH final consumption, which are presented in the 1993 SNA.

Three main points can be noted:

- visitor consumption will include the consumption of visitors for business, leisure, and other tourism purposes
- Visitor consumption will include individual services produced by Governments and NPISH and consumed by visitors
- Visitor consumption will include consumption in kind of various types.”[2.42]

“These considerations give rise to visitor consumption as the basic concept of the demand approach, its components being

- Visitor final expenditure in cash. This always represents the most important component of total consumption.
- Visitor final consumption in kind
- Tourism social transfers in kind
- Tourism business expenses.” [2.43]

TSA-RMF states: “Tourism business expenses includes tourism expenses that are classified as intermediate consumption of businesses, government units and NPISH, and does not include some other expenses corresponding to employees on business trips paid by businesses, such as payments for meals or lump sums allocated to them as remuneration in kind or in cash. As a consequence, tourism business expenses do not represent total consumption of visitors on business trips”.[2.56]

*CTSA, as stated earlier, is restricted to the measurement of visitor final expenditure in cash and tourism business expenses. CSNA and CTSA treat expenditure of employees on business trips on meals (as well as transportation and accommodation) for which they are remunerated or paid in cash as part of intermediate consumption and not as part of employee compensation as recommended by SNA 93 and TSA-RMF.*

### B.4.2 Scope of tourism consumption products

TSA-RMF states:

“In general, all acquisitions of goods and services by or on behalf of a visitor that the SNA 93 would consider as part of his/her actual consumption are included within the boundary of visitor consumption. No consumption good or service is excluded by its nature.

However some limitation ...is required.

- by limiting the range of products and transactions directly, or
- by limiting the range of transactions to a certain category of transactions” [2.45]



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...if a product is acquired by a visitor on a trip or trips or in preparation for a trip, it is included. [2.46]. (see also par. 2.54, on timing and scope)

*CTSA adopts an approach similar to the one recommended above*

TSA-RMF goes on to make the following clarifications

“Two general clarifications are important: First, there are payments which are excluded from visitor consumption by SNA93 conventions, .....such as

- payment of duties and taxes not levied on products;
- payment of interest.....including ..on expenditure made during and for trips.
- purchase of financial and non-financial assets including land, works of art and other valuables
- all transfer payments in cash, .....that do not correspond to payment for goods or services [2.47]

Second, any purchases on a trip for commercial purposes, that is for resale or reuse in a production process or on behalf of his/her employer..... are excluded.”

*CTSA follows these conventions.*

### **B.4.3 Consumer durables**

TSA-RMF identifies two categories of durable goods:

- Single purpose
- Multiple purpose

TSA-RMF has not established a list of relevant consumer durables but suggests that it would be reasonable to do so, for purposes of international comparison.

*CTSA has identified and included a list of tourism single purpose durables (also used by the OECD):*

- *Tents and camping goods*
- *Sleeping bags*
- *Luggage and travel sets*
- *Motor homes*
- *Trailers and semi-trailers of the caravan type for camping*

*CTSA no longer includes multi-purpose consumer goods in its estimates of consumer durables.*

TSA-RMF states that:

“Two additional comments with respect to consumer durables need to be made.

- In the case of any consumer durable that is purchased on a trip but then sold at the conclusion of the trip (e.g. a car), the value to be considered within visitor consumption is the difference between the original purchase price and the price received upon resale by the visitor; no allocation is made for costs of use (no purchases for commercial purposes are considered for such treatment).
- Since some consumer durables purchased during a trip may be of high unit value (e.g. cars, boats) some countries may find it useful to identify these items and conduct analysis both including and excluding them. However, for the purposes of international comparison all purchases during a trip should be included in the visitor consumption” [2.53]

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*Canada needs to undertake some detailed analysis with respect to these issues. At present, they are included in the travel surveys, (the ITS includes them in principle. The CTS specifically excludes vehicles on 2003 questionnaires). Careful analysis is required as their inclusion can cause large variations in time series.*

#### **B.4.4 Timing of purchases**

TSA-RMF states:

“the timing of purchases can be a significant issue: the following represents the boundary of visitor consumption from a time perspective.

During the trip

- All consumption regardless of the nature of the good or service as long as it is a product that the 1993 SNA considers part of household actual final consumption, including:
  - All consumer durables purchased on a trip (excluding those for commercial purposes)
  - Tourism business expenses, since the product range is the same for this group of expenses

Before a trip

- All consumption on services made before a trip and clearly related to the trip (e.g., inoculations, passports, medical control)
- All consumption on goods of small value purchased before the trip ..intended for consumption on the trip or ....as gifts
- All purchases of tourism single- purpose consumer durables

After a trip

- All consumption on goods and services purchased after the trip and clearly related to the trip (e.g. photograph development)

Outside the context of a specific trip

- All purchases of tourism single-purpose consumer durables” [2.54]

*CTSA does not include all the items listed due to measurement and estimation difficulties. Some exclusions include, for example, inoculations and passports (before a trip); goods of small value; goods and services purchased after a trip and related to the trip (film development).*

#### **B.4.5 Tourism social transfers in kind**

“TSA-RMF recommends the inclusion in household final consumption as applied to visitors, of the notion of consumption of individual non-market services provided by government units or NPISH. This would agree with the new national accounting standards of SNA 93.” [2.55]

*These are not yet measured either by the Canadian SNA, or CTSA.*

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#### **B.4.6 Tourism business expenses**

In TSA-RMF, tourism business expenses includes “tourism expenses that are classified as intermediate consumption of businesses, government units and NPISH, and does not include some other expenses corresponding to employees on business trips paid by businesses, such as payments for meals or lump sums allocated to them to cover their other travel costs, which are considered as remuneration in kind or in cash. As a consequence, tourism business expenses do not represent total consumption of visitors on business trips. Nor do they include social transfers in kind provided by government units and NPISH, which by definition are not part of their intermediate consumption.” [2.56]

*In the Canadian System of National Accounts, “intermediate consumption of business“ is not measured as specified for TSA-RMF .This difference between the CSNA and TSA-RMF leads to a difference in CTSA treatment in which payments for meals or lump sums allocated to them to cover their other travel costs are treated as business expenses, not as employee remuneration in kind or cash.*

#### **B.4.7 Summary of visitor consumption**

TSA-RMF states

“Visitor consumption exceeds visitor purchases on a trip. It encompasses ... all expenditure on goods and services by all other institutional units on behalf of visitors”

It includes purchases funded by cash or financial assets transferred to the visitor to finance his/her trip. It includes all forms of transfers in kind and other transactions benefiting visitors (that are not cash or financial assets) that are goods and services.(thus consumption of individual non-market services are included). All transactions involving a direct link between the visitor and the producer/provider of the good or service are within scope.

*CTSA includes all direct expenditures declared by visitors as defined.*

#### **B.5 Venue of visitor consumption**

The TSA-RMF states:

“while visitor consumption always relates to persons traveling or intending to travel, outside their usual environment, acquisition of goods and services may occur within the usual environment of the visitor, whether due to the nature of the good or service purchased or because they occur before or after the trip and are clearly related to the trip itself.” [2.60]

“As a consequence, determining the venue of visitor consumption from the route or destination of the visitor’s trip is not straightforward. It is important to locate the consumption geographically, in order to analyse the impacts on the country of reference...” [2.61]

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The following are definitions of aggregates for tourism consumption in TSA-RMF:

TSA-RMF:DOMESTIC TOURISM	TSA-RMF: DOMESTIC TOURISM CONSUMPTION
inbound tourism	inbound tourism consumption
outbound tourism	outbound tourism consumption
internal tourism	internal tourism consumption
national tourism	national tourism consumption

The definitions of the above table are elaborated below:

TSA –RMF states:

“Domestic tourism consumption is the consumption of resident visitors within their country of reference. The final destination of the visitor may be within or outside the country of reference, but the consumption activity that is referred to has to take place within the country of reference. It might include goods or services produced abroad or by non-residents but sold within the country of reference (imported goods and services). Note that this definition is broader than the common understanding of the term ”domestic” within tourism statistics (involving residents of the country of reference traveling and remaining within the country), and as defined here domestic tourism consumption includes what was traditionally identified as the domestic portion of outbound tourism consumption.” [2.62]

*CTSA measures this aggregate, called domestic tourism in Canada*

TSA-RMF defines inbound tourism consumption as:

“the consumption of non-resident visitors within the economic territory of the country of reference. Purchases that took place in other countries are excluded. (for purchases made through travel agents and tour operators, see paras. 4.16-4.19 below.) The goods and services purchased in the country may have been imported.” [2.63]

*CTSA describes this consumption as international demand (exports). Airline fares are included or excluded depending on whether a Canadian or a non-resident airline was used. Adjustments are made to the expenditures to identify exports (a Canadian airline was used). Fares on non-resident airlines are excluded.*

TSA-RMF defines outbound tourism consumption as:

“the consumption of resident visitors outside the economic territory of the country of reference. It does not include goods and services acquired for or after the trip within the country of reference (for those acquired through travel agencies and tour operators, see paras. 4.16 and 4.19 below). Note that this definition is narrower than the common understanding of the term "outbound" within tourism statistics (involving residents of the country of reference traveling to another country), and as defined here outbound tourism consumption excludes what was traditionally identified as the domestic portion of outbound tourism consumption." [2.64]

*CTSA includes this domestic portion of the international trip with domestic tourism consumption.*

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TSA-RMF defines internal tourism consumption as:

“compris(ing) all consumption of visitors, both resident and non-resident, within the economic territory of the country of reference. It is the sum of domestic tourism consumption and inbound tourism consumption. It may include goods and services imported into the country of reference and sold to visitors. This aggregate provides the most extensive measurement of visitor consumption in the country of reference. It covers the totality of the components indicated in Figure 2.2.” [2.65]

*As mentioned above CTSA does not cover all of these components, (excluding visitor final consumption expenditure in kind, and tourism social transfers in kind) as a consequence of the methods of the Canadian System of National Accounts. CSNA does not identify these components as yet. It does contain visitor final expenditure in cash and tourism business expenses, although, as mentioned earlier, these are not defined precisely as TSA-RMF specifies.*

TSA-RMF defines national tourism consumption as

“compris(ing) all consumption of resident visitors within and outside the economic territory of the country of reference. It is the sum of domestic tourism consumption and outbound tourism consumption. These purchases may include domestically produced goods and services and goods and service imported from non-resident producers.” [2.66]

*In CTSA this aggregate would be obtained by summing domestic tourism and imports.*

TSA-RMF states:

“The present recommendations will restrict their scope to the activities of visitors within, entering or leaving the economic territory of the country of reference. The implication of the increase in the general flows of visitors all over the world on a given economy will not be considered, as long as such flows do not correspond to movements within, towards or from the economic territory of the country of reference. For instance, the effect of the direct transportation of a visitor from country A to country B by an airline of country C will not be recorded in the TSA of country C because the visitor has not entered or left the economic country of country C. Similarly, the increase in the supply of souvenirs or other objects produced in an economy to be sold in another will not be considered within the TSA of the economy where those goods were produced.” [2.67]

*CTSA excludes the following examples:*

- (i) An Air Canada sale to an American flying from London to New York. This sale would be captured as domestic production and would be part of the supply of Canadian air transportation. From the consumption point of view, such a purchase would, in principle, be measured as part of the exports of passenger air transport. In practice, however, it is unlikely that this purchase could be captured on the demand surveys, and the expenditure would therefore not be measured.*
- (ii) The production in Canada of goods which are subsequently exported to other countries and sold to tourists there. Such sales could not be measured in the present statistical framework.*

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## **B.6 Special Issues**

TSA-RMF states:

“Regarding the services (except housing services) rendered by one household to the visiting members of another household free of charge, in accordance with the 1993 SNA and Balance of Payments principles, no imputed service is recorded. However, the increase in consumption of the household due to the purchase of goods required to provide those services or the direct purchase of services for the benefit of the visitor, is recorded as a transfer in kind and hence as consumption of the visitor”. [2.70]

*As previously mentioned CTSA does not at present, measure transfers in kind. Some special studies have been undertaken in Canada to estimate the values of “host expenditures” on behalf of visitors, and this is an area for further exploration*

### **B.6.2 Housing services provided by second homes on own account or free of charge.**

TSA-RMF states:

“The 1993 SNA recommends imputing a housing service on own account for all dwellings occupied by their owners. When this occurs, the housing services are estimated based on the characteristics of the dwelling or the effective average market rents for similar dwellings” [ 2.71]

“This recommendation applies not only to the main housing unit of a household, but to all housing units owned by households: thus it also applies to second homes and in the case of the TSA to those used for tourism purposes on own account or provided free of charge to visitors.” [2.72]

*CTSA has not attempted to measure these imputed values of housing services. Imputed services for housing units or second homes are not part of the industry or commodity definitions in CTSA.*

*A number of conceptual and measurement issues surround this subject, such as seasonal occupancy, and the estimation of imports and exports of these services. This issue requires special study.*

### **B.6.3 Travel agency services and**

### **B.6.4 Package tours**

These two topics have been discussed in TSA-RMF paras. 3.47 to 3.51 and as part of net valuation, paras. 4.13-4.19 .

*It has been noted above that CTSA does not follow all TSA-RMF recommendations as yet. The CSNA does not fully identify services of tour operators or travel agencies as final demand, but rather some of these amounts are treated as intermediate consumption by the transportation companies, accommodation industry, and other tourism suppliers that use the services of these intermediaries.*

*This issue is under review.*

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### **B.6.5 Goods as part of visitor consumption**

Goods are included in TSA-RMF, separately identified as part of visitor consumption, but not listed in detail.

TSA-RMF states:

“Although visitor consumption concentrates on services, visitors often purchase goods before, during or after a trip..... The value of visitor consumption includes the value of the good, net taxes, and the distribution services attached to it..... in measuring the economic impact of the purchase of goods, the economic nature of goods must be considered carefully.....” [2.75].

*CTSA includes some goods as well as services (automobile fuel, parts for the repair of automobiles, some clothing groceries and tobacco...) Retail margins are identified as non-tourism commodities, while the goods themselves are tourism or non-tourism commodities purchased by visitors.*

### **C. Tourism collective consumption.**

*Not part of CTSA*

### **D. Tourism gross fixed capital formation.**

*Not part of CTSA*

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### 3. The Supply Perspective: Concepts and Definitions

TSA-RMF mentions that because Tourism is a phenomenon that has originally been defined from the point of view of demand, it is necessary to assemble information on tourist expenditure on products, both goods and services. In order to study the impact of that expenditure on the economy, it is also necessary to identify the producers of those products. Thus products can be viewed both from the demand side and from the supply side.

From the demand side the interest is in identifying the products purchased by visitors and categorizing them. The approach adopted by TSA-RMF and CTSA in categorizing them is discussed below.

#### A. Tourism-specific Products

TSA-RMF recognizes that conceptually the list of products purchased by visitors consists of goods and services. However, for the present, as mentioned earlier, only services are included in the TSA-RMF definition of tourism products, but for completeness, in TSA-RMF all goods (excluding distribution margins), whether purchased by visitors or not, are placed in a separate category.

TSA-RMF distinguishes and defines

**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, composed of those that have been identified as tourism specific in a given country but for which this attribute has not been acknowledged on a world-wide basis and

**Tourism specific products**, which are the sum of the two previous categories.

**Non-specific products** under which are included distribution margins on goods and the remaining services purchased by visitors

Service products purchased by visitors are therefore classified into three types and grouped into two categories: **Specific**, consisting of characteristic and connected, and **Non-specific**.

All goods are left in a separate undifferentiated category divided into domestically produced or imported. They are valued excluding distribution margins which are included above as connected products or non-specific products.

*CTSA distinguishes and defines:*

**Tourism commodities and non-tourism commodities purchased by tourists (non--tourism commodities)** Under these categories it includes both goods and services purchased by tourists.

A **tourism commodity** is a good or service for which a **significant part of its total demand comes from visitors (namely tourists and same day visitors)**.

**Non-tourism commodities** purchased by tourists (or non-tourism commodities) are *all other goods and services purchased by tourists*.



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*Thus CTSA explicitly includes both goods and services purchased by tourists. On the demand side, the interest is first in identifying total expenditure on all goods and services purchased by visitors. CTSA identifies a specific list of products and estimates tourist demand for those products. This demand is then placed within the context of total demand for those products and only a subset of the goods and services being purchased by visitors are characterised as tourism commodities. The rest are characterised as non-tourism commodities purchased by tourists (or non-tourism commodities).*

*The major categories of **tourism commodities** are transportation, accommodation, food and beverage services, and other tourism commodities, consisting of recreation and entertainment, travel agency services, convention fees and pre-trip expenditures. Most tourism commodities are those that are purchased while traveling, however, an exception is made for single-purpose durable goods bought solely for the purpose of travel (e.g. motorized mobile homes, tent trailers and luggage). Described as pre-trip expenses, they are treated as part of 'other tourism commodities'.*

### **Comparison**

Broadly speaking, TSA-RMF concept of Tourism characteristic plus connected products, that is tourism specific products, and the CTSA concept of Tourism commodities correspond.

Most CTSA Tourism commodities fall within the list of TSA-RMF Tourism characteristic products. However, because CTSA includes some goods among its list of tourism commodities in principle, they become connected or non-specific products in TSA-RMF. TSA-RMF then goes on and separates their distribution margins from the value of goods. In the demand tables it leaves the distribution margins on domestically produced and imported goods purchased by tourists and the goods themselves under connected or non-specific products. In the production tables, the goods purchased by tourists are placed in a separate aggregate of all goods.

All the commodities regarded by CTSA as non-tourism commodities, purchased by tourists, fall into the TSA-RMF category of non-specific products. Again, in the demand tables the goods themselves and the distribution margins are placed under non-specific products, but in the production tables the goods are placed in the separate aggregate for goods.

## **B. Tourism-specific Activities**

TSA-RMF defines

**Tourism characteristic activities** as productive activities that produce a principal output that has been identified as characteristic of tourism.

**Tourism connected activities** which by analogy are activities that principally produce connected products and

**Non-specific Tourism activities** that again, by analogy, principally produce non-specific products.

TSA-RMF mentions that the classification of products (CPC) and activities (ISIC) does not necessarily generate a one- to- one relationship, between products and activities. It also recognises that industries can produce more than one type of product. Thus the first two categories of activities principally produce products that are exclusively of a tourism nature though they can also produce non-specific products as secondary products. Non-specific tourism activities primarily produce non-specific products but they can also produce tourism characteristic and connected products as secondary products. (TSA-RMF Figure 3.1 p 42).

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*CTSA defines*

***Tourism industries.*** "A tourism industry is one that provides tourism commodities to visitors and would cease to exist without tourism or would continue to exist only at a significantly reduced level of activity," and

***Non-tourism industries*** as industries that do not meet the criteria for tourism industries but may still obtain some benefit from tourism. In other words they produce some commodities purchased by tourists.

*In the rectangular Canadian Input-Output System on which CTSA is based, an industry produces more than one product and the same product can be produced by more than one industry. A tourism industry can produce non-tourism products as secondary products and a non-tourism industry can produce tourism products as secondary products.*

### **Comparison**

The definitions in TSA-RMF and CTSA are largely similar. Neither assumes a one to one relationship between products and industries. TSA-RMF begins by defining tourism characteristic products as products, which would cease to exist in meaningful quantity in the absence of visitors, and then defines tourism characteristic activities as those that primarily produce tourism characteristic products. CTSA defines a tourism commodity as one for which a significant part of its total demand comes from tourists and then a tourism industry as one that provides tourism commodities to visitors and would cease to exist without tourism or would continue to exist only at a significantly reduced level of activity.

## **B.2 Special Issues**

### **B.2.2 Housing services provided by second homes on own account or free of charge**

Measuring the service of second homes has been partially addressed in CTSA. Rental income from private cottages is included, however the subject needs further review. TSA-RMF includes support services to time-share activities in the definition of this item. Should time-shares in vacation property also be included? If the ownership of second homes is to be included, should the expense of equipping the second home be part of the imputation? Is that tourist expenditure or should it be treated as personal expenditure

### **B.2.3 Travel Agencies**

### **B.2.4 Tour Operators**

The net valuation treatment recommended in TSA-RMF will result in the valuation of gross output and exports of services such as transportation, accommodation and other activities that include payment of commissions to travel agents and tour operators, being different from current CSNA practice in Canada. The latter follows a mixed approach of treating some commissions as being directly paid by visitors and others as being paid by industries as part of their intermediate costs. Though it will have no effect on the distribution of GDP among industries, the full adoption of the recommendations will lead to inconsistency between I/O data and CTSA, in respect of the valuation of the output, exports and imports of some products. Further, the availability of all data required to make the necessary adjustments has yet to be investigated. Whether or not the TSA-RMF recommended approach can be adopted in the CTSA is a matter for review.

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## C. Tourism Industries

TSA-RMF mentions that it is necessary to identify the economic units that produce the products consumed by visitors. Units are grouped into industries by virtue of their principal activity. In Canada, once units have been combined to form industries, available statistics can provide information on product outputs of each industry, product inputs, all the components of value added or GDP and employment by industry. By defining a tourism characteristic industry as “a group of establishments whose principal productive activity is a tourism characteristic activity” [3.54], TSA-RMF seems to suggest the need to isolate the units that primarily produce the products that tourists buy, an approach that is not practical for Canada. Industries cannot be so narrowly defined as to include only economic units that primarily produce goods purchased by tourists. The best that can be done is to identify the products purchased by tourists and the industries that produce the identified products and to estimate the proportion of each industry’s inputs, value added and employment that is associated with producing those products. Though it is often necessary to analyse the underlying micro data, to make the estimates, it should be noted that it is not usually feasible “to identify the economic units” that primarily produce only the products that tourists purchase, as recommended by TSA-RMF.

### C.1 Value Added

TSA- RMF mentions that the economic importance of a productive activity is usually measured by its value added. Because of the difficulty of making an estimate of the consumption of fixed capital and therefore an estimate of net value added, the recommendations adopt the concept of gross value added. CTSA uses the concept of gross value added.

*CTSA defines Tourism demand as total spending by tourists on goods and services. In order to calculate the associated GDP or value added, this spending is assigned to producing industries in proportion to their market share, as reflected in the Output matrix of the Input Output Tables. Then GDP at basic prices, for each component, Labour Income, Net income of unincorporated business and Other, are separately derived for Tourism industries and other industries (non-tourism and other) that make up Total Tourist Activities, with the help of CTSA estimates of Tourism demand and the relationship between Output and GDP of the Canadian Input Output tables.*

### C.2 Employment

*Like GDP, in CTSA employment is calculated at the industry level for the same list of Tourism industries and other industries that together make up the total of Tourism activities. To allocate employment to tourism demand, the employment calculation uses the same ratio by industry as the one used to calculate the GDP share of each industry.*

### C.3 Gross fixed capital formation

*Currently Gross Fixed Capital formation is not a part of CTSA*

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## 4. Tables, Accounts and Aggregates

TSA-RMF mentions that “The methodological design for the elaboration of the TSA is no more than a set of definitions and classifications integrated into tables and organised in a logical consistent way. It allows the examination of the whole economic magnitude of tourism in both its aspects of demand and supply .” As a consequence, this chapter is regarded as constituting the central part of TSA-RMF. [4.1]

The 10 tables that comprise the TSA of TSA-RMF are derived from and related to the tables of the SNA 1993. They are regarded as the being at the centre of international comparisons of the economic impact of tourism between economies.

TSA-RMF recommends that in the first stage, the aim would be to compile tables 1 to 6 and 10. The ability of Canada to produce tables 1-6, and 10 is discussed below.

### A. Tables and Accounts

#### A.1 General remarks

TSA-RMF mentions that “ developing a country’s TSA requires from the compiler not only a basic set of direct data-collection procedures but also transformation and partitioning of the information already existing in the national accounts of a country into the tourism orientation embodied in the TSA.” [4.11]

*CTSA is based on and derives from the Input Output Tables of the Canadian System of National Accounts.*

TSA-RMF then describes the series of transformations required.

*In general, Canada’s practice corresponds to the recommended process. Some of the areas in which Canadian practice differs have been mentioned above and are summarized in the conclusions below.*

#### A.2 Net valuation

The net valuation of package tours and the extraction of travel agency services have implications for the values and classifications of flows (within and outside the country of reference) within the different concepts of visitor consumption. An overview of these implications is therefore provided below.

##### A.2.1 Net valuation of package tours

##### A.2.2 Net valuation of travel agency services

“In TSA-RMF, services provided by tour operators have to be valued in a net form because of the need for a consistent treatment between tourism services acquired directly and services (of the same type) acquired through tour operators...” [4.15]

The consequences are outlined in detail in sections 4.13 to 4.19, pp 51 to 56 in TSA-RMF. They involve the measurement of the services of package tours and travel agency services, which are recommended to be measured on a net basis. “The net valuation .., (has)... implications for the values and classifications of flows within the different concepts of visitor consumption.” [4.13]

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Various situations and combinations of travel are identified in which the consequences of the net valuation differ. Analogous treatments are proposed for package tours and travel agency services. These depend on whether the measurement refers to resident visitors traveling within the economic territory of the country of reference, resident visitors whose destination is outside the economic territory of the country of reference, non-resident visitors traveling within the economic territory of the country of reference. For these cases, the treatment of the classification of package tours and travel agency services that may be produced domestically or non-domestically, and measured as part of domestic tourism consumption or outbound tourism consumption, will vary depending on the characteristics of the visitor and the package or travel agency service, and where it was produced.

It is noted that “ as a consequence of these adjustments, not only is the breakdown by products modified, but ...the global value of domestic tourism consumption, outbound tourism consumption and inbound tourism consumption are also modified, because of the difference of residence between travel agencies ”retailing” tourism services and that of the tourism services that they retail.” [4.19]

*The CTSA has not yet adopted all of these approaches in its measurement of tour operators’ and travel agents’ services. The possibility of fully doing so has yet to be investigated. Further, the modifications to the breakdown by products that will result from their adoption, will bring about an inconsistency between CSNA and CTSA, the implications of which need to be considered*

### **A.3 Classifications of Products and Activities**

TSA-RMF explains that the issue of classification has to be considered from two different points of view, the adaptation to the specific needs and statistical infrastructure of the country of reference and international comparability.

For international comparability, TSA-RMF has defined categories of products and industries that are characteristic of Tourism, explaining that they are a first attempt at specifying them. It is mentioned in TSA-RMF that the categories specified will be modified in a future update of TSA-RMF, in the light of country experience.

TSA-RMF is a Satellite Account of SNA93. It takes as its starting point the concepts and definitions of SNA93. The categories of products and industries are specified and defined in terms of CPC v 1 and ISIC Rev 3, the UN classifications recommended for use in the compilation of the Production Accounts of SNA93.

*Canada has adopted many but not all the recommendations of SNA 93. It does not use the Central Product Classification (CPC) or the International Standard Industrial Classification of all economic activities (ISIC) in its own statistical programs, nor in implementing the Production Accounts of the Canadian SNA and CTSA. It uses its own product classifications and it uses the North American Classification System (NAICS Canada) for industries. To define its industries, CTSA uses the industry groups of the Canadian Input Output Tables that are based on NAICS Canada.*

In order to compare the content of the categories in the Classifications and to assess the extent to which data classified to the categories used for CTSA would have to be adjusted, converted or modified in order to match the categories used in TSA-RMF, the categories used in CTSA are compared to those defined in TSA-RMF, both for Products and for Industries.

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## Products

Currently TSA-RMF mentions that in fact it is the total expenditure by visitors on both goods and services that is required. However, it restricts itself to defining and classifying services and the distribution margins on goods purchased, mentioning goods as an undifferentiated category.

TSA-RMF defines 7 categories of Tourism Characteristic Products and numerous sub-categories under each. They are defined in terms of CPC v.1.0. CPC products or parts of CPC products are used to define their content.

*CTSA defines 7 categories of Tourism commodities. They are defined in terms of the commodity aggregates of the Canadian Input Output Tables.*

*As Statistics Canada does not use the CPC, it is a matter of interpreting the content of the product classification of Statistics Canada's Input Output tables and its use in CTSA and comparing it to TSA-RMF list of products .*

It would be useful if the definitions of some of the items named in the CPC categories listed in TSA-RMF to indicate the content of the list of TSA-RMF Tourism Characteristic Products were further refined to indicate what part of them are relevant for categorizing Tourism demand and supply.

### **TSA-RMF Tourism Characteristic Products**

TSA-RMF uses the list of Tourism characteristic products in Tables 1-6 [ see Annex III]

*CTSA uses its list of Tourism commodities in Table 1 [see Annex I]*

There is general similarity in the main categories. The detailed items shown under each of the TSA-RMF categories can generally be found in CTSA, except for the imputation for own use of 'second homes' which is an area not presently covered by CTSA.

Some of the items mentioned in the TSA-RMF list or in the CPC detail are not separately identified in CTSA list. Often this is because their output is difficult to isolate and tourist expenditure on them, difficult to estimate, for example accommodation in 'student residences', 'mobile food services from motorized vehicles or non-motorised carts', and some of the services named under Miscellaneous services. When such items are not separately identified, they fall into the unidentified residual on the demand side in CTSA and are treated as 'other tourism commodities purchased by tourists'.

*An important item included by CTSA relates to conventions which CTSA measures as convention fees. TSA-RMF mentions Trade fair and exhibition services under other tourism services, but there is the issue of direct rental of space and facilities for conventions and meetings, as well as, any other services that are required. CTSA assigns convention fees to the Hotel industry, which provides convention facilities, but rental of convention and congress centres is also carried out by the Real Estate industry, not mentioned in TSA-RMF or included in CTSA.*

In some cases, products that are treated as Tourism Characteristic Products in TSA-RMF are treated as non-tourism commodities in CTSA-urban transit and parking are such cases.

Differences in the placement of items occurs because of the differences in the classifications used, for example ticket offices included under passenger transport services in the TSA-RMF list are included with travel agency services in CTSA, and pleasure boat rental, included under transport equipment rental in the TSA-RMF list is included in recreation in CTSA. In principle, unless the placement of

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these items was shifted, strict comparability would not be achieved. On the other hand, it would be necessary to make an assessment of their statistical significance and data availability and to evaluate the precision to which comparability is desired. They may be negligible in size and importance and it may be sufficient to document differences.

*CTSA makes estimates for the use of own car, (repairs, parts and fuel) an important element of tourist expenditure particularly for domestic tourism in Canada and treats these as Tourism products. This is in accordance with TSA-RMF, which mentions the importance of estimating the expenses associated with the use of own car, but TSA-RMF does not include parts and fuel in the list of tourism characteristic or specific products. All goods are treated as Tourism connected or non-specific products.*

*Financial Services are currently not covered in CTSA. They largely fall into the category of pre-trip and post-trip expenditures. Currently CTSA does not measure post trip expenditures. Travel, life, health and accident insurance premiums and vehicle insurance premiums are usually paid before the trip, and claims are made after the trip. Fees on purchases of traveller's cheques are made before the trip. Only commissions paid on foreign exchange services are made during the trip. The possibility of collecting information on financial services would need to be investigated.*

### **TSA-RMF Tourism connected products**

In principle, items included in CTSA as Tourism commodities but not included in the TSA-RMF list of Tourism characteristic products would become TSA-RMF Tourism connected products. To correspond to the categories of TSA-RMF, the vehicle parts and fuel regarded as Tourism commodities under Transportation in CTSA and the pre-trip expenditures under Other tourism commodities in CTSA would have to be split between distribution margins and the goods themselves and both would have to be treated as TSA-RMF Tourism connected products.

### **TSA-RMF Non-specific products**

CTSA non-tourism commodities would correspond to TSA-RMF non-specific products.

CTSA regards the following as being Non-tourism commodities purchased by tourists:

- Groceries
- Beer, wine and liquor from stores
- Urban transit and parking
- Miscellaneous commodities (tobacco products, clothing, maps and souvenirs)

To correspond to the particular categories of TSA-RMF for non-specific products, the various goods listed under CTSA Non-tourism commodities purchased by tourists would also have to be split between distribution margins and the goods themselves. Urban transit and parking, the distribution margins and the goods would then become TSA-RMF Non-specific products in Tables 1-4.

All the goods from both groups would be placed in the separate category for Goods in TSA- RMF Tables 5&6.

The lists of TSA-RMF Tourism characteristic products [Figure 4.3 p 58] and CTSA Tourism commodities are shown below. A more detailed comparison is shown in Annex III.

TSA-RMF TOURISM CHARACTERISTIC PRODUCTS	CTSA-TOURISM COMMODITIES
<b>1. Accommodation services</b> 1.1 Hotels and other lodging services  1.2 Second homes services on own account or for free	<b>Accommodation</b> Hotels Motels Camping Other accommodation <i>not estimated</i>
<b>2. Food- and beverage-serving services</b>	<b>Food and beverage services</b> Meals from accommodation Meals from restaurants Alcoholic beverages from accommodation Alcoholic beverages from restaurants Meals and alcoholic beverages from other tourism industries
<b>3. Passenger transport services</b> 3.1 Interurban railway transport services 3.2 Road transport services  3.3 Water transport services 3.4 Air transport services 3.5 Supporting passengers transport services 3.6 Passenger transport equipment rental 3.7 Maintenance and repair services of passenger transport equipment	<b>Transportation</b> Passenger rail Interurban, charter and tour bus, urban transit Taxis, limousines, airport shuttles etc. Passenger water Passenger air Parking Vehicle rental Vehicle repairs and parts Vehicle fuel
<b>4. Travel agency, tour operator and tourist guide services</b> 4.1 Travel agency services 4.2 Tour operator services 4.3 Tourist information and tourist guide services	<b>Travel agency and Tour Operator services</b> Travel agency services Tour Operator services Other reservation services
<b>5. Cultural services</b> 5.1 Performing arts 5.2 Museum and other cultural services	<b>Recreation and entertainment</b> Museums,archives etc Theatre,musicals,opera,dance,music,etc
<b>6. Recreation and other entertainment services</b> 6.1 Sports and recreational sport services 6.2 Other amusement and recreational services	<b>Recreation and entertainment</b> Spectator sports,golfing,curling,skiing,bowling,etc. Amusement park,carnival and circuses, other amusement and recreational services
<b>7. Miscellaneous tourism services</b> 7.1 Financial and insurance services 7.2 Other goods rental services 7.3 Other tourism services	<b>Other</b> <b>not estimated</b> not separately identified Convention fees <b>Pre-trip expenditures</b>



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## Activities

TSA-RMF defines 12 categories of Tourism characteristic activities (TCA).

They are defined broadly in terms of the categories of the International Standard Industrial Classification of all economic activities (ISIC Rev 3) and more narrowly in terms of The Standard Industrial Classification of Tourism Activities (SICTA), a classification developed by the World Tourism Organisation (WTO).

TSA-RMF recommends a definition of Tourism Characteristic Activities, focussed as narrowly as possible on activities that supply the goods and services purchased by visitors. The TSA-RMF List of tourism characteristic activities shows that 7 of the 12 categories are special groupings of activities, that split up and regroup the four digit level of ISIC. Excluding second homes (which lies outside ISIC), and except for Hotels and similar (ISIC 5510) Restaurants and similar (ISIC 5520) Travel Agencies and similar (ISIC 6304) and Cultural Services (ISIC 9232,9233), all the other categories require the extraction and regrouping of activities below the four digit level of ISIC.

TSA-RMF distinguishes Tourism characteristic industries, Tourism connected industries and Non-specific industries.

*CTSA distinguishes Tourism and non-tourism industries. These categories are defined in terms of the industry groups of the Canadian Input Output tables. Tourism industries are defined in terms of the most detailed categories of the Input Output Tables and the rest of the economy is defined in terms of the highest level industry categories of the Input Output Tables. CTSA creates another group of "other industries" under Tourism activities in order to extract the Tourism share of Non-Tourism industries.*

### **TSA-RMF Tourism characteristic activities**

TSA-RMF uses its list of Tourism characteristic industries, defined in terms of ISIC and SICTA, to display the outputs, inputs and value added of Tourism industries in Table 5. Tourism shares are added in Table 6.

*CTSA uses its list of Tourism industries defined in terms of the industry aggregates of the Canadian Input Output Tables, in Table 2 [see Annex I] It publishes its estimates of Tourism GDP by industry and uses the GDP of Tourism industries, as the denominator to show the Tourism share.*

The lists of TSA-RMF Tourism characteristic industries [Table 4.4 p 58] and CTSA Tourism industries are shown below. A more detailed comparison of the content of the two categories is provided in Annex III.

<b>TSA-RMF TOURISM CHARACTERISTIC ACTIVITIES</b>	<b>CTSA-TOURISM INDUSTRIES</b>
<b>1. Hotels and similar</b>	<b>Accommodation</b> Hotels Motels Camping Other accommodation
<b>2. Second home ownership (imputed)</b>	<i>not estimated</i>
<b>3. Restaurants and similar</b>	<b>Food and Beverage Services</b>
<b>4. Railway passenger transport services</b>	<b>Railway transportation</b>
<b>5. Road passenger Transport services</b>	<b>Bus transportation</b> <b>Taxicabs</b>
<b>6. Water passenger transport services</b>	<b>Water transportation</b>
<b>7. Air passenger transport services</b>	<b>Air transportation</b>
<b>8. Transport supporting services</b>	<i>not estimated</i>
<b>9. Transport equipment rental</b>	<b>Vehicle rental</b>
<b>10. Travel agencies and similar</b>	<b>Travel Agencies</b>
<b>11. Cultural Services</b>	<b>Recreation and Entertainment</b>
<b>12. Sporting and other recreational services</b>	<b>Recreation and Entertainment</b>

In general, there is again overall similarity between the two lists, but there are some differences in content and placement of items, described below.

The use of different classifications causes a difference in the boundaries of the industries.

TSA-RMF specifies Passenger Transportation activities for Railway, Road, Water and Air. For all modes of Transport except Road, these industries do not exist in ISIC. Where these go below the four digit level of ISIC, TSA-RMF requires the creation of special Passenger Transport industries separating outputs, inputs and GDP associated with Passenger Transportation.

*CTSA does not create such industries under Transportation and would be disinclined to do so, when it requires going below the lowest level of Input Output industry groupings for which complete data on output, intermediate consumption and value added are compiled. For purposes of calculating supply associated with Tourism demand, CTSA assigns inputs and GDP to tourist demand for Passenger Rail, Road, Air and Water Transportation services but then it calculates the Tourism share of broadly defined Transportation industries that include the transportation of both passengers and freight.*

Just as in the case of products, other differences, the statistical significance of which would need to be assessed, are to be found in the placement of certain activities within the two lists.

Under Transport equipment rental TSA-RMF includes rental of land, water and air transport equipment. *CTSA has a more narrowly defined industry, vehicle rental in which it includes the most important categories of rental of cars, recreational vehicles and campers. Some of the rental of transport equipment such as some pleasure boats and bicycles falls into Recreation. The rest falls into "other industries".*

*Other examples are that CTSA places dinner theatres under Recreation and Entertainment rather than Restaurants and similar. CTSA includes ticket offices for sports, amusement and recreation with Travel Agencies rather than in Sporting and Recreational services. Tourist guides are placed in Recreation rather than with Travel agencies.*

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In order to compare TSA-RMF Tourism characteristic industries to the Tourism industries of CTSA it was necessary to convert both to the North American Classification System (NAICS-Canada) to examine similarities and differences in detail, The result of this work is separately available. Again the statistical significance of differences would have to be assessed to decide with how much precision, conversion from CTSA aggregates, based on I/O and NAICS, to ISIC/SICTA would be necessary, in the interests of international comparability.

The detailed classification of Non-Tourism industries used by CTSA is the “small aggregation” of the Canadian Input Output System. This however is outside the concerns of the current TSA-RMF for which they would have to be grouped into one total as non-specific industries.

## **A.4 The Tables**

This section discusses the characteristics of TSA-RMF Tables 1- 6 and 10, identifying similarities and differences from CTSA, and the tables in which its data are presented.

TSA-RMF Tables 1-4 display Visitor final consumption expenditure in cash, for various categories of visitors, classified by product. [see Annex II]

*CTSA Table 1 Detailed Tourism expenditures displays similar, though not the same, information, also classified by product. [see Annex I]*

In both Table 5, Production accounts of tourism industries and Table 6, Domestic supply and internal tourism consumption by products, TSA-RMF displays information in two dimensions, classified by product and by industry. [see Annex II]

*CTSA Table 2, Detailed GDP and Employment displays similar but selected information, classified in only one dimension, by industry/activity. [see Annex I]*

The product and industry/activity classifications used for TSA-RMF and CTSA, are different. They have been described and discussed earlier and a comparison of the contents of their categories with Notes is shown in Annex III. An even more detailed comparison is available separately.

### **Common concepts**

There are a few common concepts incorporated in TSA-RMF Tables 1-4. These too have been described and compared earlier but they are discussed further below.

#### **Visitor final consumption expenditure in cash**

Tables 1-3 relate to visitor final consumption in cash. This concept has been defined previously as part of Visitor Consumption, Chapter 2.0, section B.

TSA-RMF states that “Because visitor final consumption expenditure in cash is the most important component of visitor consumption, the first three tables 1 to 3, focus on this variable according to the different types of tourism ” [4.27]. Table 1, shows inbound tourism consumption of same-day visitors and tourists. Table 2, shows expenditures of all resident visitors, separated into expenditures of those traveling within the country and the domestic portion of expenditures for those traveling to a different country. Table 3 shows outbound tourism consumption of same-day visitors and tourists. In Table 4 the other components of Visitor consumption namely, Visitor final consumption in kind, Tourism social transfers in kind and Tourism business expenses are brought in to compile “internal tourism consumption, which is the aggregate to be compared to domestic supply for the calculation of the economic impact of tourism..” [4.27]

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As stated above, TSA-RMF defines a visitor as a particular type of individual consumption unit, distinguished from other individuals, by the fact that he/she is outside his/her usual environment and travels or visits a place for a purpose other than the “exercise of an activity remunerated from within the place visited.” Otherwise, he/she behaves like an ordinary consumer, so that the characteristics of consumption activity described in the SNA 93 are also relevant for visitors. Household final consumption expenditure covers “expenditure, including imputed expenditure on individual consumption goods and services, including those sold at prices that are not economically significant” (SNA93, par 9.94). For purposes of TSA-RMF, remuneration in kind has been included as part of “other components of visitors consumption” (Table 4, col. 4.4) and forms part of internal tourism consumption (in cash and in kind).

*CTSA defines visitor consumption for households, business, government and NPISH, including tourism business expenses (intermediate consumption of business), (CTSA Table 1). Tourism business expenses are not separated. Inbound tourism includes tourism business expenses as exports (final demand), Outbound tourism (imports) includes tourism business expenses on goods and services purchased out of the country.*

### **Net valuation**

Net valuation is defined in TSA-RMF for travel agencies and tour operators:

For travel agencies, “the total value paid by a visitor for a tourism service purchased through a travel agency will be split into two parts: one corresponding to the value of the travel agency service and the other corresponding to the net value of the tourism services purchased” [3.43]

For tour operators “for the purpose of the TSA-RMF, a package tour is not considered as a product on its own because the buyers of these products would then no longer be purchasing the embodied tourism services...” [3.49]

“Consequently, TSA-RMF requires all components of the service of the tour operator himself, to be considered as directly purchased by the visitors. This entails a so-called “net” valuation of package tours” [3.50]

*The practical possibilities of making the required estimates and of adopting all the recommendations of TSA-RMF need to be reviewed.*

### **Categories of visitors**

TSA-RMF tables present separate expenditure totals and product distributions for same day visitors and tourists (one night or more).

*In CTSA separate expenditure totals and product expenditure distributions are not published for each category of visitor. Some detail is available and could be published. This split is considered to be of lesser importance in CTSA, than, for example, the personal/business split.*

### **Distribution margins on goods**

These margins and the goods themselves are shown separately as two rows under connected products and non-specific products in Tables 1-4. TSA-RMF does not recommend the measurement of goods for the time being.

*These measures are not published separately in CTSA. CTSA includes goods in its list of tourism products. Distribution margins are not separately identified, although they are included as other commodities purchased by tourists [CTSA, Table 1. see Annex I])*

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**TSA-RMF Tables 1-6 and 10 [See Annex II] and CTSA Tables 1 –2 [See Annex I]**

**Table 1 Inbound tourism consumption, by products and categories of visitors (same day and 1 night or more)**

Inbound tourism consumption corresponds to consumption of non-resident visitors (exports) within the economic territory of the country of reference.

The table shows visitor final consumption expenditure in cash, by rows of products and columns of same-day visitors, tourists and total visitors. The table shows the net valuation approach and values consumption at purchasers' prices. [4.91]

The last two rows request number of trips and number of nights.

*CTSA publishes an equivalent aggregate in CTSA for “international demand”, shown in Table 1 of CTSA. This aggregate includes the expenditures of both visitor final consumption in cash and tourism business expenses (defined as exports and part of final demand). Expenditure distributions by categories of visitors are not separated, although they are published for the total of all visitors..*

*Number of trips and number of overnights are not published.*

*CTSA does not currently publish this table, but it could produce the data.*

**Table 2. Domestic tourism consumption, by products and ad hoc sets of resident visitors (visitor final consumption in cash) Net valuation**

TSA-RMF recommends showing visitor final consumption in cash separately for categories of visitors, for resident visitors traveling only within the country of reference, and, expenditure within the country of reference for resident visitors traveling to a different country. Data are measured using “net” valuation. The last column shows total expenditures by product, for all resident visitors. All expenditures are shown in purchasers' prices.

The last two rows request number of trips and number of nights

*CTSA publishes “Domestic demand”(CTSA Table 1) but this aggregate also includes tourism business expenses. Visitor final consumption in cash is not published separately.*

*CTSA could produce this table*

**Table 3. Outbound tourism consumption by products and categories of visitors (visitor final consumption expenditure in cash) (Net valuation)**

TSA-RMF recommends columns of categories of visitors, and rows of expenditures by product.

*CTSA data are published only at very aggregate levels for imports (e.g. transportation, accommodation) Detail is not estimated in CTSA.*

*More detailed information is of less priority for CTSA.*

*Tourism business expenses are included as part of outbound tourism consumption.*

This table could be produced as CTSA could make estimates for the more detailed distribution of imported goods and services, possibly using ratios from the I/O tables.

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**Table 4. Internal consumption-by products and types of tourism  
(Net valuation)**

This table provides a summary of Tables 1-3, with an additional Column (4.4) which includes other components of visitors consumption not included in Tables 1-3, i.e. visitor final consumption expenditure in kind, tourism social transfers in kind and tourism business expenses (these are identified as paid by a resident producer and separated into “intermediate consumption” and as remuneration in kind). Tourism business expenses are therefore not shown separately, but are included as part of this total for all components not included in Tables 1-3. The same concepts are used as in Tables 1-3, visitor final expenditure in cash, net valuation, distribution margins, goods, categories of visitors, and product distribution. Expenditures are expressed in purchasers’ prices.

*CTSA defines Internal consumption for Canada as Domestic demand plus international exports (CTSA Table 1), except that, as previously explained, CTSA Table 1 does not include measures of visitor final consumption in kind, or tourism social transfers in kind. CTSA includes only visitor final consumption expenditure in cash. Tourism business expenses (defined as intermediate consumption) are included, as well as the portion classified as remuneration in kind in TSA-RMF.*

*As a result in CTSA Internal tourism consumption will not contain all the components identified for column 4.4 and therefore in column 4.5.*

*CTSA does not and cannot publish this table completely as proposed, due to the slightly different treatment of tourism business expenses in CSNA.*

**Table 5 Production accounts of tourism industries and other industries  
(Net valuation)**

The production accounts in TSA-RMF are displayed in the form of one matrix, an output matrix above and an intermediate consumption matrix below, sharing a row of the value of total output at basic prices. The output matrix shows the total output of all domestic producers in terms of industries in the columns and products in the rows. In the columns, each tourism industry’s output is shown, in terms of products, followed by the total for all tourism industries, a total for all connected industries, and a total for all non-specific industries. The total of non-specific industries includes all other industries in the economy including those whose products are not purchased by tourists at all. The final column shows total output, by product, of all domestic producers (at basic prices).

In the rows, the value of characteristic products (services) produced are shown in detail, connected products are shown in terms of services produced and distribution margins, and non-specific products are also shown in terms of services produced and distribution margins. Finally, the value of domestically produced goods (net of distribution margins) and the value of imports of goods (net of distribution margins) are shown with each column summing to total output at basic prices, by industry and industries. That sum of total output at basic prices is shown in a row.

Below that, intermediate consumption is shown in the product aggregations of the CPC, summing to total intermediate consumption at purchaser’s prices. Total output at basic prices minus total intermediate consumption at purchaser’s prices gives gross value added for each industry. Gross value added is then broken down into its components of compensation of employees, other taxes less subsidies on production, gross mixed income and gross operating surplus.

*Currently CTSA does not present its Tourism Production Accounts in this manner, but it can extract all the necessary data for this Table from the Input Output Tables.*

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## Output

Output by product as recommended for Table 5 is available but not published.

The data could only be shown in terms of the modified basic prices used in CSNA.

*Further, as explained in the discussion on classification, because it does not use ISIC or the CPC, there would be a difference in the precise definition and content of categories. For international comparability the data would have to be converted from the aggregations used to those corresponding to TSA-RMF's lists (ISIC, SICTA and the CPC) or differences documented.*

*To be comparable, the data would have to be converted or differences documented in the product dimension, as well. How precise a conversion it would be, would depend upon the availability of the detail and the work involved in making the adjustments. However, except where there are data gaps, the adjustments required are likely to be marginal. Some categories such as miscellaneous tourism services would be estimated only in aggregate. Goods included in CTSA definition of tourism expenditure and their distribution margins would have to be separated to correspond to the TSA-RMF Tables.*

## Intermediate consumption

*Currently CTSA does not publish intermediate consumption of tourism and non-tourism industries corresponding to the input columns of Table 5 of TSA-RMF, though the information by product would be available in the Canadian I/O tables. Again it would be a matter of extracting it and rearranging it to correspond to the CPC categories used in Table 5. (or explaining differences)*

## GDP and its components

*Currently CTSA does not display GDP by industry for Tourism and Non-Tourism industries as is done in Table 5 of TSA-RMF, but the data can be derived from CTSA Table 2.*

*To cover the entire economy, the aggregate for Non-specific industries in TSA-RMF has also to include industries that produce goods purchased exclusively by non-visitors. This is also the case for Non-tourism industries in CTSA.*

This table is viewed as the core of the RMF-TSA system. It consolidates data presented in Tables 1-4, confronts supply and internal tourism consumption and allows for the calculation of Outputs and intermediate consumption by product; and value added and its components for tourism

## Table 6 Domestic supply and internal tourism consumption, by products (net valuation)

Industries, tourism connected industries, and the rest of the economy, as well as the tourism share of output, a tourism share of intermediate consumption, and the share of value added generated by visitor consumption.

This Table reproduces the matrices of Table 5. There are additional columns for Imports and Taxes less subsidies to be able to arrive at Total Domestic supply at purchasers' prices.

*Imports can be obtained from the Input Output Tables. CTSA calculates imports of Tourism products, the most important of which are air transport and travel agency services.*

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*There will be a problem of providing indirect taxes less subsidies at the required level of detail by product for Tourism products from CTSA.*

Finally in Table 6, internal tourism consumption (as a total, from Table 4, column 4.5, and including purchases of imports) appears as the second last column of the table.

*As explained above, the major difference will be that CTSA does not make the required “in-kind” adjustments so that this column will consist of only visitor final consumption in cash plus business expenses.*

The last column shows the tourism share of each product (calculated as internal tourism consumption of each product divided by total domestic supply (output + imports) at basic prices.

*CTSA does not publish this share. The CTSA Tourism Supply share presented in CTSA Table 1 consists of tourism demand (excluding imports) as a share of domestic output.*

In Table 6, Column 2 of each industry contains the tourism share of each product (calculated as internal tourism consumption of each product divided by total domestic output at basic prices.)

*CTSA does not publish this information though it compiles the information by industry from which the shares could be calculated.*

*In the Canadian Production Accounts a product can be produced by more than one industry. Thus in CTSA Tourism demand for a product (e.g. meals) would be assigned to more than one industry based on market shares derived from the Output matrix of the Canadian Input Output Tables. Each Tourism industry could produce tourism products and non-tourism products (purchased by tourists and by non-tourists).*

Table 6 displays Total output at basic prices for each Tourism industry, and then totals for Tourism industries, connected industries and non-specific industries, [after adding rows for the Total value of Goods (net of distribution margins) and the total value of imported goods (net of distribution margins)]

In this row of total output at basic prices, is also displayed the tourism share of each Tourism industry’s total output followed by the Tourism share of total output of all Tourism industries, of all Tourism connected industries and of all non-specific industries.

*This information is calculated for purposes of compiling CTSA but currently it is not published in this manner.*

The lower half of Table 6, shows intermediate consumption by Tourism industries in the form of a matrix.

The rows show Intermediate consumption by groups of products based on the CPC.

The columns show both total intermediate consumption by product and the tourism share by product for each Tourism industry and for all Tourism industries.

Intermediate consumption for connected industries and non-specific industries is only shown in total.

*Again the information is calculated for purposes of compiling CTSA but it is not published in this manner.*



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Finally Table 6 shows a matrix of Gross value added and its components as well as the Tourism share for each Tourism industry, total tourism industries, connected industries and specific industries.

*All the information is calculated for CTSA and some of it can be derived directly from CTSA Table 2 but it is not published in this manner*

*In summary, although CTSA does not produce Tables 5 and 6, the approach to the derivation of the main data items is as recommended and the information is assembled from the I/O Tables for CTSA and could be provided, with notes describing classification and other differences from TSA-RMF. Only after assembling the data will it be possible to examine whether certain detail will need to be collapsed or withheld for reasons of confidentiality or reliability.*

### **Presenting the results**

CTSA presents its GDP data and the Tourism share of each Tourism industry's GDP, attributable to Tourism demand, in Table 2, but somewhat differently from TSA-RMF Table 6.

The two presentations display Tourism aggregates in analytically different ways.

TSA-RMF Table 6 begins by displaying the total value added of each Tourism characteristic industry (VATI) and the share attributable to Tourism consumption (TVA). It also shows the total value added of all Tourism characteristic industries (VATI) and the share attributable to Tourism consumption (TVA). In each case, however, the figure displayed is that of VATI which, as pointed out in TSA-RMF, is likely to be an inadequate indicator of the size of Tourism in a country. [4.83]. The more meaningful figure is TVA but that has to be derived by using the share.

*CTSA begins by displaying the GDP attributable to Tourism consumption or demand from each Tourism (characteristic) industry and then showing the share. (Though it does not show the GDP of each Tourism industry or the total GDP of all Tourism industries, those figures can be calculated from the shares.) CTSA includes an additional row after Tourism industries for the GDP associated with the production of other Tourism goods and services, that it describes as Other industries. All the rest of the economy's GDP is displayed in an aggregation of industries derived from the I/O tables. CTSA Table 2 is reproduced below in Annex I.*

TSA-RMF might consider adapting this CTSA table for international adoption as an additional, simplified form of presenting the results of Table 6, that would provide useful aggregates for a quick analysis of Tourism. [The adaptation would be necessary to define the Table in terms of international classifications, for example, it would be necessary to use an aggregation of ISIC industries, or just one total to display the GDP of the rest of the economy.]

What this type of presentation does is to display figures for Tourism GDP (or value added) in the context of the total economy, data of great interest to users, while at the same time displaying the shares that Tourism GDP comprises of the GDP of Tourism industries. For that reason, it would be a useful supplementary table to Table 6.

### **Table 10 Non-monetary indicators**

Block A This block proposes numbers of trips and of overnights by type of tourism and categories of visitors

*CANSIM (Statistics Canada's electronic database)-publishes these numbers, but for travelers, not tourists*

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Block B . This block recommends, for Inbound tourism, numbers of arrivals and overnights by means of transport.

*In the Canadian statistical system (but not in CTSA), numbers of arrivals can be determined from border counts of incoming tourists/ Same-Day visitors.*

*Distributions of travelers by means of transport can be obtained from ITS data. The information is published in the Balance of Payments.*

Block C: This block requests numbers of establishments and capacity by forms of accommodation.

The TSA-RMF definition of Collective accommodation is hotels and similar. Private tourism accommodation can be second homes, cottages, apartments in homes, and condos.

The Row detail recommendations are the following:

- number of establishments,
- capacity (rooms)
- capacity (beds).
- capacity utilization (rooms)
- capacity utilization (beds).

*STC can provide counts of establishments, and partial detail for rooms and beds, for collective accommodation, but not private tourism accommodation. Annual occupancy rates by rooms from accommodation surveys may be available, again, for collective accommodation*

Block D requests number of establishments in tourism characteristic and tourism connected activities, classified according to number of employed persons.

Classes of employees by size are requested in the columns.

*Statistics Canada defines most of these employment size classes.*

These data are available for Canada using the NAICS classification of industries. They would need to be converted into the TSA-RMF classifications to fill this table as defined in TSA-RMF.



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## 5. Conclusions

Broadly speaking, the overall approaches of TSA-RMF and CTSA to the compilation of a Tourism Satellite Account are similar, including the concepts, definitions and framework. A few areas of difference between the two Tourism Satellite Accounts have been identified in the compilation of the demand, supply, GDP and employment elements.

### A. Concepts

Differences in concepts between CSNA and SNA 93 lead to differences in measurements in CTSA as compared with those recommended in TSA-RMF.

- (a) Household consumption. The use of different concepts of household consumption in SNA 93 and CSNA, leads to differences in the measurement of the concept of visitor consumption in CTSA as compared to that recommended in TSA-RMF. Household final consumption expenditure in kind and social transfers in kind are included in SNA93 but have not yet been incorporated in CSNA.
- (b) Net valuation. The recommended treatment requires that the services of travel agents and tour operators be valued as margins paid directly by visitors. It also requires that the services of all industries using their services be valued net of commissions. This approach affects all sectors of the National Accounts, including exports and imports. This treatment is not part of SNA or BOP guidelines, but such treatment in these standards would be useful for its adoption by countries in their TSAs.
- (c) Business expenses. Unlike the TSA-RMF recommended treatment of business expenses, CSNA and CTSA treat the cost of meals, as well as accommodation and transportation for employees traveling on business, as part of intermediate expenses and not as employee remuneration in kind, and therefore value added.
- (d) Basic prices. TSA-RMF recommends that outputs be measured in basic prices, according to the SNA 93 guidelines. The CSNA has implemented a concept of “modified” basic prices, which are also incorporated in CTSA. The latter concept differs in the inclusion of subsidies. These have not been accounted for in the modified version, whereas they have been in the SNA 93 framework.

### B. Classifications

1. The concepts and categories of products and activities by TSA-RMF and CTSA into tourism-specific and non-specific or tourism and non-tourism are broadly similar.
2. The classifications used in TSA-RMF and CTSA are different, as a consequence of which, there are differences in the product or industry group in which an item is classified. In principle, unless they were made identical, strict comparability would not be achieved. However, it is necessary to make an assessment of their statistical significance to evaluate the precision to which comparability is desired. It may be enough to simply document differences.
3. Sometimes comparable industries are more broadly or narrowly defined in the two systems. For example, Transportation industries are defined to include both passenger and freight in CTSA but include only passenger transportation in TSA-RMF. Transportation equipment rental includes only motor vehicles in CTSA, but all forms of transportation equipment in TSA-RMF.

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### C. Tables

1. The Demand tables of TSA-RMF (numbers 1-4) contain aggregates that are not currently compiled by CTSA. These are visitor final consumption expenditure, which requires the separation of business and personal expenses, the measurement of net valuation, which requires the isolation of margins for travel agencies and tourist operators, and the separation of detailed product data into same-day visitors and tourists (one night or more). CTSA currently provides one distribution of expenditure by product, for the total of all visitors. Many of the more detailed expenditure requirements could be provided for TSA-RMF as they are available from the ITS and CTS surveys.
2. Currently, the Production tables of TSA-RMF (5 and 6) and GDP and Employment table of CTSA (Table 2) are similar in approach, although the two presentations are not identical. It is likely that most of the information requested can be provided by CTSA with further work. Some of the data may be confidential, due to Statistics Canada's disclosure policy.

### D. Coverage

Components recommended for inclusion by TSA-RMF but not yet covered in CTSA,

1. The measurement of second homes services on own account or for free is not included in CTSA, as recommended by TSA-RMF.
2. TSA-RMF recommends the inclusion of post-trip expenditures as well as pre-trip expenditures as part of visitor demand. CTSA does not currently include post-trip expenditure.
3. TSA-RMF suggests the measurement of several components within visitor final expenditure that are not currently included in CTSA. These include multiple-purpose durables purchased on trips, (cars, cameras), and such pre-trip expenditures as medical expenses (inoculations), passport expenses and financial and insurance services.
4. Tourism collective consumption
5. Tourism capital formation

Several reasons exist for the exclusions of certain items in the coverage of CTSA that are recommended by TSA-RMF. These include conceptual issues, such as the identification of household expenditure in kind, and social transfers in kind, the concepts to be used for the measurement of second homes and time shares; the difficulty of isolating precise outputs for some of the information required, for example, identifying certain business travelers or consultants as being remunerated from the place visited, or identifying visitors traveling for medical reasons. Other reasons include measurement and data gaps on the existing surveys of Statistics Canada, such as data that exist only in an aggregate form for imports, and data for which methods have not yet been developed for data collection (inoculations).

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## 6. Recommendations with respect to TSA-RMF

TSA-RMF has provided a complete Methodological Framework that situates the analysis of Tourism as a satellite account within the theoretical framework of SNA 93.

The recommendations provided below result from an examination of the practical issues involved in attempting to implement the framework.

- A. Countries should be asked to document their experience in implementing TSA-RMF and explain where they have faced difficulties.
- B. Consideration should be given to the production of implementation guidelines to supplement TSA-RMF.
- C. Whereas the overall framework has been very well articulated, sometimes it is necessary to explain how the concept is to be implemented and to provide more detail to help in understanding what is required.
- D. The task of having the needs of Tourism recognized in the standard international frameworks of the SNA and BOP and standard international classifications, ISIC, CPC, BOP and EBOPS is very important and should continue.

This study has led to a variety of conclusions that are illustrative of issues that need to be addressed.

1. **Definition of visitors-** Consideration should be given to regarding the “country of residence of business visitors” as their usual environment whether or not they are remunerated from abroad.
2. **Expenditure in kind-** Though TSA-RMF elaborates all the additions to be made for expenditure in kind and social transfers in kind ... it is unrealistic to expect countries to make the adjustments related to visitor expenditure in kind or to business expenses in kind.
3. **Second homes-** It would be useful if the recommended treatment of second homes services on own account or for free could be further elaborated for TSA-RMF, including, for example, whether and how time shares should be included and the treatment of second homes in imports and exports.
4. **Net valuation-** It would be useful to find out how far countries are able to implement the TSA-RMF guidelines with respect to “net valuation” and the impediments to doing so. It would then be possible to consider proposing that all aspects of the convention or some modified version is also adopted in SNA and BOP guidelines to enable countries to be in conformity with TSA-RMF when constructing their TSAs.
5. **Definition of products and industries-** Some of the definitions in the classifications could be further refined in order to indicate more precisely what is recommended for inclusion.

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## 6. Tables

- a. Column 4.4 of Table 4 provides an adjustment concerning internal tourism consumption. This adjustment completes the aggregate value of internal tourism consumption and includes, among several other components, consumption paid by a resident producer. These details that are presently contained in a separate publication should be shown in TSA-RMF implementation guidelines.
  - b. It would be useful to separate expenses “paid by a resident producer as intermediate consumption”<sup>7</sup> from all the other adjustments for income-in kind in Column 4.4 of Table 4. and to show it as a separate column.
  - c. In Tables 5&6 it would be useful to explain that the last row for Non-specific products includes products purchased by non-visitors and the last column for non-specific industries includes industries that produce products purchased by non-visitors.
7. **Presenting the results** -TSA-RMF could consider adapting CTSA Table 2 for another presentation of tourism value added (TVA)

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<sup>7</sup> Table 3b, P. 130, *TSA Historical Perspective: Designing the Tourism Satellite Account, Methodological Framework*, WTO.

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## **Annex I: CTSA Tables, Canada, 1998**

Table 1 - Tourism Expenditure by Commodity

Table 2 - GDP and Employment for Tourism



**Table 1 - Tourism Expenditure by Commodity, Canada, 1998**

(MILLIONS OF DOLLARS)	DOMESTIC DEMAND	INTERNATIONAL DEMAND (EXPORTS)	INTER-PROVINCIAL DEMAND (EXPORTS)	TOTAL EXPORTS	TOTAL DEMAND	TOTAL DOMESTIC SUPPLY	TOURISM SUPPLY SHARE (%)	TOURISM SPENDING ABROAD (INTERNATIONAL IMPORTS)	INTERPROVINCIAL TOURISM IMPORTS	TOTAL TOURISM IMPORTS
COMMODITIES	(1)	(2)	(3)	(4)=(2)+(3)	(5)=(1)+(4)	(6)	(7)=(5)/(6)	(8)	(9)	(10)=(8)+(9)
Passenger air	5,069.1	2,341.1	3,102.9	5,444.0	10,513.2	11,036.0	95.3	---	3,102.9	---
Passenger rail	79.0	103.4	23.3	126.6	205.6	224.3	91.7	---	23.3	---
Passenger water	87.1	145.4	11.6	157.0	244.0	271.4	89.9	---	11.6	---
Interurban, charter and tour bus	292.1	262.3	57.1	319.4	611.5	655.2	93.3	---	57.1	---
Taxis	33.7	62.9	68.8	131.8	165.4	1,407.8	11.8	---	68.8	---
Vehicle rental	364.1	500.2	386.0	886.2	1,250.3	1,841.8	67.9	---	386.0	---
Vehicle repairs and parts	594.2	85.2	98.1	183.3	777.5	11,485.9	6.8	---	98.1	---
Vehicle fuel	2,343.2	452.3	524.2	976.5	3,319.7	16,284.2	20.4	---	524.2	---
<b>Total Transportation</b>	<b>8,862.4</b>	<b>3,952.9</b>	<b>4,271.9</b>	<b>8,224.8</b>	<b>17,087.2</b>	<b>43,206.5</b>	<b>39.5</b>	<b>5,854.4</b>	<b>4,272.0</b>	<b>10,126.4</b>
Hotels	1,515.5	2,657.6	1,170.1	3,827.6	5,343.2	5,944.5	89.9	---	1,170.1	---
Motels	286.9	616.7	149.4	766.1	1,053.0	1,114.8	94.5	---	149.4	---
Camping	187.0	127.3	72.5	199.7	386.8	411.7	93.9	---	72.5	---
Other accommodation	240.0	453.7	113.6	567.3	807.3	911.3	88.6	---	113.6	---
<b>Total Accommodation</b>	<b>2,229.5</b>	<b>3,855.2</b>	<b>1,505.6</b>	<b>5,360.7</b>	<b>7,590.2</b>	<b>8,382.3</b>	<b>90.6</b>	<b>5,471.6</b>	<b>1,505.6</b>	<b>6,977.2</b>
Meals from accommodation	301.9	285.7	166.0	451.7	753.6	2,271.5	33.2	---	166.0	---
Meals from restaurants	1,860.9	1,757.8	886.1	2,643.9	4,504.8	23,807.9	18.9	---	886.1	---
Alcoholic beverages from accommodation	150.6	144.2	88.5	232.7	383.3	1,601.5	23.9	---	88.5	---
Alcoholic beverages from restaurants	371.1	430.2	157.8	588.0	959.0	5,449.6	17.6	---	157.8	---
Meals and alcoholic beverages from other tourism industries	108.9	102.1	52.5	154.6	263.5	1,353.5	19.5	---	52.5	---
<b>Total Food and Beverage Services</b>	<b>2,793.3</b>	<b>2,720.0</b>	<b>1,350.9</b>	<b>4,070.9</b>	<b>6,864.3</b>	<b>34,484.0</b>	<b>19.9</b>	<b>3,511.7</b>	<b>1,350.9</b>	<b>4,862.6</b>
Recreation and entertainment	937.4	1,869.0	403.4	2,272.4	3,209.8	13,007.9	24.7	---	403.4	---
Travel agency services	2,118.6	196.7	341.8	538.5	2,657.1	2,668.0	99.6	---	341.8	---
Convention fees	94.7	44.8	8.3	53.0	147.7	161.6	91.4	---	8.3	---
Pre-trip expenses	1,456.6	-	-	-	1,456.6	1,456.6	100.0	---	-	---
<b>Total Other Tourism Commodities</b>	<b>4,607.2</b>	<b>2,110.4</b>	<b>753.5</b>	<b>2,863.9</b>	<b>7,471.1</b>	<b>17,294.2</b>	<b>43.2</b>	<b>1,671.9</b>	<b>753.5</b>	<b>2,425.3</b>
Groceries	795.2	685.0	314.4	999.4	1,794.6	52,156.3	3.4	---	314.4	---
Beer, wine & liquor from stores	166.8	139.7	50.7	190.4	357.2	10,478.2	3.4	---	50.7	---
Urban transit & parking	55.5	65.1	31.8	96.9	152.4	1,714.3	8.9	---	31.8	---
Miscellaneous commodities	1,969.5	1,949.4	651.1	2,600.4	4,569.9	1,562,794.3	0.3	---	651.1	---
<b>Total Other Commodities Purchased By Tourists</b>	<b>2,987.0</b>	<b>2,839.2</b>	<b>1,047.9</b>	<b>3,887.1</b>	<b>6,874.2</b>	<b>1,627,143.2</b>	<b>0.4</b>	<b>2,009.1</b>	<b>1,047.9</b>	<b>3,057.0</b>
<b>Total Tourism Expenditures</b>	<b>21,479.4</b>	<b>15,477.8</b>	<b>8,929.8</b>	<b>24,407.5</b>	<b>45,886.9</b>	<b>1,730,510.1</b>	<b>2.7</b>	<b>18,518.6</b>	<b>8,929.8</b>	<b>27,448.5</b>

**Table 2 - GDP and Employment for Tourism and Non-Tourism Industries, Canada, 1998**

INDUSTRY	LABOUR INCOME	NET INCOME OF UNINCORPORATED BUSINESS	OTHER (3)	GDP AT BASIC PRICES	NUMBER OF JOBS	LABOUR COMPENSATION PER JOB	GDP PER JOB	TOURISM'S SHARE OF TOTAL INDUSTRY'S GDP (2)
	MILLIONS OF DOLLARS				('000)	DOLLARS	DOLLARS	(%)
<b>TOURISM ACTIVITIES:</b>								
Air transportation	2,426.2	-	931.7	3,358.0	51.4	47,300	65,400	77.3
Railway transportation	142.8	-	352.9	495.7	2.6	55,000	190,900	12.1
Water transportation	80.4	1.4	31.3	113.1	1.7	47,600	65,800	11.4
Bus transportation	228.8	3.2	116.4	348.4	9.9	23,400	35,200	26.8
Taxicabs	27.2	32.0	23.5	82.8	4.1	14,500	20,200	13.0
Vehicle rental	243.1	1.0	624.7	868.9	8.0	30,500	108,600	33.7
<b>Total Transportation</b>	<b>3,148.7</b>	<b>37.7</b>	<b>2,080.5</b>	<b>5,266.8</b>	<b>77.7</b>	<b>41,100</b>	<b>67,800</b>	<b>37.8</b>
Hotels	2,306.1	118.3	1,109.0	3,533.4	95.9	25,300	36,900	62.3
Motels	338.1	17.9	159.5	515.5	14.6	24,500	35,400	65.1
Camping	166.9	4.8	81.5	253.3	6.7	25,600	37,800	85.6
Other accommodation	260.0	4.9	115.6	380.6	11.3	23,600	33,900	75.2
<b>Total Accommodation</b>	<b>3,071.1</b>	<b>146.0</b>	<b>1,465.6</b>	<b>4,682.7</b>	<b>128.5</b>	<b>25,100</b>	<b>36,500</b>	<b>64.4</b>
<b>Food and Beverage Services</b>	<b>1,869.4</b>	<b>105.2</b>	<b>360.2</b>	<b>2,334.7</b>	<b>126.5</b>	<b>15,700</b>	<b>18,500</b>	<b>17.6</b>
<b>Recreation and Entertainment</b>	<b>1,069.8</b>	<b>93.2</b>	<b>368.2</b>	<b>1,531.2</b>	<b>57.1</b>	<b>20,400</b>	<b>26,900</b>	<b>26.7</b>
<b>Travel Agencies</b>	<b>1,001.1</b>	<b>13.1</b>	<b>369.6</b>	<b>1,383.8</b>	<b>33.9</b>	<b>30,000</b>	<b>40,900</b>	<b>99.5</b>
<b>Total Tourism Industries</b>	<b>10,160.1</b>	<b>395.2</b>	<b>4,644.1</b>	<b>15,199.3</b>	<b>423.7</b>	<b>25,000</b>	<b>35,900</b>	<b>36.5</b>
<b>Other Industries</b>	<b>2,888.5</b>	<b>152.3</b>	<b>1,222.0</b>	<b>4,262.8</b>	<b>109.3</b>	<b>27,900</b>	<b>39,100</b>	<b>--</b>
<b>Total Tourism Activities</b>	<b>13,048.6</b>	<b>547.4</b>	<b>5,866.1</b>	<b>19,462.1</b>	<b>532.9</b>	<b>25,600</b>	<b>36,600</b>	<b>--</b>

**Table 2 - GDP and Employment for Tourism and Non-Tourism Industries, Canada, 1998 (continued)**

INDUSTRY	LABOUR INCOME	NET INCOME OF UNINCORPORATED BUSINESS	OTHER (3)	GDP AT BASIC PRICES	NUMBER OF JOBS	LABOUR COMPENSATION PER JOB	GDP PER JOB	TOURISM'S SHARE OF TOTAL INDUSTRY'S GDP (2)
	MILLIONS OF DOLLARS				('000)	DOLLARS	DOLLARS	(%)
<b>NON-TOURISM ACTIVITIES</b>								
Agriculture, forestry, fishing and hunting	6,468	2,702	11,858	21,027	538	17,100	39,100	
Mining and oil and gas extraction	9,335	160	17,931	27,426	158	60,200	173,800	
Utilities	6,036	0	18,898	24,934	98	61,700	254,800	
Construction	32,269	4,785	7,104	44,158	823	45,100	53,700	
Manufacturing	83,665	409	64,431	148,504	1,919	43,900	77,400	
Wholesale trade	30,300	824	13,694	44,818	705	44,200	63,600	
Retail trade	32,521	2,900	8,522	43,942	1,611	22,000	27,300	
Transportation and warehousing	21,442	2,380	10,634	34,456	680	35,100	50,700	
Information and cultural industries	13,327	152	14,704	28,184	295	45,800	95,700	
Finance, Insurance, Real Estate and Leasing	40,875	25,909	98,923	165,707	921	72,600	180,000	
Professional, Scientific And Technical Services	23,731	5,291	5,442	34,465	765	38,000	45,100	
Administrative and Support, Waste Management and Remediation Services	12,119	1,501	3,049	16,669	519	26,300	32,100	
Educational Services	1,042	603	90	1,735	85	19,300	20,300	
Health Care And Social Assistance	8,905	9,298	2,707	20,909	500	36,500	41,900	
Other industries (1)	140,003	2,199	27,650	169,852	4,287	33,200	39,700	
<b>Total non-tourism activities</b>	<b>462,038</b>	<b>59,112</b>	<b>305,636</b>	<b>826,787</b>	<b>13,904</b>	<b>37,500</b>	<b>59,500</b>	
<b>Total Economy</b>	<b>475,087</b>	<b>59,660</b>	<b>311,502</b>	<b>846,249</b>	<b>14,437</b>	<b>37,100</b>	<b>58,700</b>	
<b>of which: Business sector</b>	<b>357,457</b>	<b>59,660</b>	<b>289,470</b>	<b>706,587</b>	<b>11,422</b>	<b>36,600</b>	<b>61,900</b>	

(1) Including government and non-profit institutions.

(2) Percentage of an industry's GDP that comes from satisfying tourism demand. "Total industry's GDP" is a broad variable as it also includes freight activities.

(3) Includes other operating surplus, other taxes on production (excluding taxes on products) and other subsidies on production.



## **Annex II: TSA-RMF tables**

Table 1. Inbound tourism consumption

Table 2. Domestic tourism consumption

Table 3. Outbound tourism consumption

Table 4. Internal tourism consumption

Table 5. Production accounts of tourism industries

Table 6. Domestic supply and internal tourism consumption,

Table 10. Non-monetary indicators

Worksheet 3b.



**Table 1: Inbound tourism consumption, by products and categories of visitors  
(visitor final consumption expenditure in cash) (Net valuation)**

PRODUCTS	SAME-DAY VISITORS (1.1)	TOURISTS (1.2)	TOTAL VISITORS (1.3) = (1.1) + (1.2)
<b>A. Specific products</b>			
<b>A.1 Characteristic products (a)</b>			
<b>1 – Accommodation services</b>	X		
1.1 – Hotels and other lodging services (3)	X		
1.2 – Second homes services on own account of for free	X	X	X
<b>2 – Food and beverage serving services (3)</b>			
<b>3 – Passenger transport services (3)</b>			
3.1 Interurban railway (3)			
3.2 Road (3)			
3.3 Water (3)			
3.4 Air (3)			
3.5 Supporting services			
3.6 Transport equipment rental			
3.7 Maintenance and repair services			
<b>4 – Travel agency, tour operator and tourist guide services</b>			
4.1 Travel agency (1)			
4.2 Tour operator (2)			
4.3 Tourist information and tourist guide			
<b>5 – Cultural services (3)</b>			
5.1 Performing arts			
5.2 Museum and other cultural services			
<b>6 – Recreation and other entertainment services (3)</b>			
6.1 Sports and recreational sport services			
6.2 Other amusement and recreational services			
<b>7 – Miscellaneous tourism services</b>			
7.1 Financial and insurance services			
7.2 Other good rental services			
7.3 Other tourism services			
<b>A.2 Connected products</b>			
distribution margins			
goods (4)			
services			
<b>B. Non specific products</b>			
distribution margins			
goods (4)			
services			
<b>TOTAL</b>			
	number of trips		
	number of overnights		

*X does not apply*

(1) *Corresponds to the margins of the travel agencies*

(2) *Corresponds to the margins of the tour operators*

(3) *The value is net of the amounts paid to travel agencies and tour operators*

(4) *The value is net of distribution margins*

(a) *Even if they are called “products”, no goods are included for the time being. Two main reasons led to that decision:*

- *the importance of the existing differences (both in level and structure) between the types of goods acquired by visitors according to the country and place visited;*
- *the existing limitations of the available sources of statistical information.*

*Nevertheless, goods are not totally banned from the analysis, as retail trade services (specialized and non specialized) associated with the sale of goods to visitors are included within the list. This is due to the fact that the associated productive activity is an activity which is in contact with the visitor and thus, given certain circumstances, can be viewed as a tourism activity.*

*Moreover, the list of products included in each of the 7 groups under consideration is shown in Annex III; the explanatory notes for each of them are also included, in order that they may be clearly identified.*





**Table 3: Outbound tourism consumption, by products and categories of visitors  
(visitor final consumption expenditure in cash) (Net valuation)**

PRODUCTS	SAME-DAY VISITORS (3.1)	TOURISTS (3.2)	TOTAL VISITORS (3.3) = (3.1) + (3.2)
<b>A. Specific products</b>			
<b>A.1 Characteristic products (a)</b>			
<b>1 – Accommodation services</b>	X		
1.1 – Hotels and other lodging services (3)	X		
1.2 – Second homes services on own account of for free	X	X	X
<b>2 – Food and beverage serving services (3)</b>			
<b>3 – Passenger transport services (3)</b>			
3.1 Interurban railway (3)			
3.2 Road (3)			
3.3 Water (3)			
3.4 Air (3)			
3.5 Supporting services			
3.6 Transport equipment rental			
3.7 Maintenance and repair services			
<b>4 – Travel agency, tour operator and tourist guide services</b>			
4.1 Travel agency (1)			
4.2 Tour operator (2)			
4.3 Tourist information and tourist guide			
<b>5 – Cultural services (3)</b>			
5.1 Performing arts			
5.2 Museum and other cultural services			
<b>6 – Recreation and other entertainment services (3)</b>			
6.1 Sports and recreational sport services			
6.2 Other amusement and recreational services			
<b>7 – Miscellaneous tourism services</b>			
7.1 Financial and insurance services			
7.2 Other good rental services			
7.3 Other tourism services			
<b>A.2 Connected products</b>			
distribution margins			
goods (4)			
services			
<b>B. Non specific products</b>			
distribution margins			
goods (4)			
services			
<b>TOTAL</b>			
	number of trips		
	number of overnights		

*X does not apply*

*(a) See note under Table 1*

*(1) Corresponds to the margins of the travel agencies*

*(2) Corresponds to the margins of the tour operators*

*(3) The value is net of the amounts paid to travel agencies and tour operators*

*(4) The value is net of distribution margins*

**Table 4: Internal tourism consumption, by products and types of tourism (Net valuation)**

PRODUCTS	VISITORS FINAL CONSUMPTION EXPENDITURE IN CASH			OTHER COMPONENTS OF VISITORS CONSUMPTION (4.4)***	INTERNAL TOURISM CONSUMPTION (IN CASH AND IN KIND) (4.5)=(4.3)+(4.4)
	INBOUND TOURISM CONSUMPTION (4.1)*	DOMESTIC TOURISM CONSUMPTION (4.2)**	INTERNAL TOURISM CONSUMPTION IN CASH (4.1)+(4.2)=(4.3)		
<b>A. Specific products</b>					
<b>A.1 Characteristic products (a)</b>					
<b>1 – Accommodation services</b>					
1.1 – Hotels and other lodging services (3)					
1.2 – Second homes services on own account of for free	X	X	X		
<b>2 – Food and beverage serving services (3)</b>					
<b>3 – Passenger transport services (3)</b>					
3.1 Interurban railway (3)					
3.2 Road (3)					
3.3 Water (3)					
3.4 Air (3)					
3.5 Supporting services					
3.6 Transport equipment rental					
3.7 Maintenance and repair services					
<b>4 – Travel agency, tour operator and tourist guide services</b>					
4.1 Travel agency (1)					
4.2 Tour operator (2)					
4.3 Tourist information and tourist guide					
<b>5 – Cultural services (3)</b>					
5.1 Performing arts					
5.2 Museum and other cultural services					
<b>6 – Recreation and other entertainment services (3)</b>					
6.1 Sports and recreational sport services					
6.2 Other amusement and recreational services					
<b>7 – Miscellaneous tourism services</b>					
7.1 Financial and insurance services					
7.2 Other good rental services					
7.3 Other tourism services					
<b>A.2 Connected products</b>					
distribution margins					
services					
<b>B. Non specific products</b>					
distribution margins					
services					
Value of domestically produced goods net of distribution margins					
Value of imported goods net of distribution margins					
<b>TOTAL</b>					

*X does not apply*

(a) See note under Table 1

(\*) Corresponds to 1.3 in table 1

(\*\*) Corresponds to 2.9 in table 2

(\*\*\*) These components (referred to as visitor final consumption expenditure in kind, tourism social transfer in kind and tourism business expenses) are recorded separately as these components are not easily attributable by types of tourism

(1) Corresponds to the margins of the travel agencies

(2) Corresponds to the margins of the tour operators

(3) The value is net of the amounts paid to travel agencies and tour operators



**Table 5: Production accounts of tourism industries and other industries (Net valuation) (Continued)**

PRODUCTS	TOURISM INDUSTRIES												TOTAL TOURISM INDUSTRIES	TOURISM CONNECTED INDUSTRIES	NON SPECIFIC INDUSTRIES	TOTAL OUTPUT OF DOMESTIC PRODUCERS (AT BASIC PRICES)
	1 - HOTELS AND SIMILAR	2 - SECOND HOME OWNERSHIP (IMPUTED)	3 - RESTAURANTS AND SIMILAR	4 - RAILWAY PASSENGER TRANSPORT	5 - ROAD PASSENGER TRANSPORT	6 - WATER PASSENGER TRANSPORT	7 - AIR PASSENGER TRANSPORT	8 - PASSENGER TRANSPORT SUPPORTING SERVICES	9 - PASSENGER TRANSPORT EQUIPMENT RENTAL	10 - TRAVEL AGENCIES AND SIMILAR	11 - CULTURAL SERVICES	12 - SPORTING AND OTHER RECREATIONAL SERVICES				
<b>B. Non specific products</b>		X														
distribution margins		X														
services		X														
Value of domestically produced goods net of distribution margins		X														
Value of imported goods net of distribution margins	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
<b>TOTAL output (at basic prices)</b>																
1. Agriculture, forestry and fishery products														X	X	X
2. Ores and minerals														X	X	X
3. Electricity, gas and water														X	X	X
4. Manufacturing														X	X	X
5. Construction work and construction														X	X	X
6. Trade services, restaurants and hotel services														X	X	X
7. Transport, storage and communication services														X	X	X
8. Business services														X	X	X
9. Community, social and personal services														X	X	X
<b>Total intermediate consumption (at purchasers price)</b>																
<b>Total gross value added of activities (at basic prices)</b>																
Compensation of employees																
Other taxes less subsidies on production																
Gross Mixed income																
Gross Operating surplus																

*X does not apply*

(a) See note under Table 1

(1) Corresponds to the margins of the travel agencies

(2) Corresponds to the margins of the tour operators

(3) The value is net of the amounts paid to travel agencies and tour operators









### Worksheet 3b: Total Non Monetary Tourism Consumption (Net valuation)

	BARTER TRANSACTIONS		HOUSING ON OWN ACCOUNT OR FOR FREE FROM OTHER HHLD		OTHER TRANSFERS IN KIND FROM RESIDENT HOUSEHOLDS	OTHER TRANSFERS IN KIND TO OUTBOUND TOURISM FROM NON-RESIDENTS	SOCIAL TRANSFERS IN KIND FROM A RESIDENT UNIT	PAID BY A RESIDENT PRODUCER		TOTAL NON MONETARY TOURISM CONSUMPTION	ACQUIRED FROM RESIDENT PROVIDERS	ACQUIRED FROM NON-RESIDENT PROVIDERS
	INBOUND TOURISM	OUTBOUND TOURISM	DOMESTIC AND INBOUND TOURISM	OUTBOUND TOURISM				AS INTERMEDIATE CONSUMPTION	AS REMUNERATION IN KIND			
<b>A. Specific products</b>												
<b>Characteristic products</b>												
<b>Accommodation</b>												
Hotel and other lodging services(3)	x	x	x	x								
Second homes services on own account or for free					x	x	x	x	x			
<b>Food and Beverage serving services(3)</b>			x	x								
<b>Passenger Transport(3)</b>			x	x								
interurban railway transport services(3)			x	x								
road transport services(3)			x	x								
water transport services(3)			x	x								
air transport services(3)			x	x								
support services			x	x								
<b>Travel agency,tour operator &amp; tourist guide services</b>			x	x								
Travel agency services(1)			x	x								
Tour operator services(2)			x	x								
Tourist informatio and tourist guide services			x	x								
<b>Transport equipment rental</b>			x	x								
<b>Cultural services(3)</b>			x	x								
<b>Recreation and other entertainment services(3)</b>			x	x								
<b>Connected products</b>			x	x								
retail trade margins on connected goods			x	x								
services			x	x								
<b>B. Non specific products</b>			x	x								
retail trade margins on non specific goods			x	x								
services			x	x								
Value of goods net of retail trade services previously recorded			x	x								
<b>TOTAL non monetary tourism consumption</b>												

This net valuation refers to the adjustments of package tours, travel agencies and retail trade

(1) Corresponds to total value received from visitors, packagers and other tourism services

(2) Corresponds to the margin of the packager

(3) The value is net of the amounts paid to travel agencies

## **Annex III: Classifications**

1. TSA-RMF List of tourism characteristic products and industries
2. Comparison of TSA-RMF tourism characteristic products and CTSA list of tourism commodities
3. Comparison of TSA-RMF tourism characteristic activities and CTSA list of tourism industries

## TSA-RMF List of tourism characteristic products and industries

FIGURE 4.3: LIST OF TOURISM CHARACTERISTIC PRODUCTS (PRODUCTS DESCRIPTION)	FIGURE 4.4: LIST OF TOURISM CHARACTERISTIC ACTIVITIES (ACTIVITIES DESCRIPTION)
<b>1. Accommodation services</b> 1.1 Hotels and other lodging services 1.2 Second homes services on own account	<b>1. Hotels and similar</b>  <b>2. Second home ownership (imputed)</b>
<b>2. Food and beverage serving services</b>	<b>3. Restaurants and similar</b>
<b>3. Passenger transport services</b> 3.1 Interurban railway transport services 3.2 Road transport services 3.3 Water transport services 3.4 Air transport services 3.5 Supporting passengers transport services 3.6 Passenger transport equipment rental 3.7 Maintenance and repair services of passenger transport equipment	<b>4. Railway passenger transport services</b> <b>5. Road passenger transport services</b> <b>6. Water passenger transport services</b> <b>7. Air passenger transport services</b> <b>8. Transport supporting services</b> <b>9. Transport equipment rental</b>
<b>4. Travel agency, tour operator and tourist guide services.</b> 4.1 Travel agency services 4.2 Tour operator services 4.3 Tourist information and tourist guide services	<b>10. Travel agencies and similar</b>
<b>5. Cultural services</b> 5.1 Performing arts 5.2 Museum and other cultural services	<b>11. Cultural services</b>
<b>6. Recreation and other entertainment services</b> 6.1 Sports and recreational sport services 6.2 Other amusement and recreational services	<b>12. Sporting and other recreational services</b>
<b>7. Miscellaneous tourism services</b> 7.1 Financial and insurance services 7.2 Other goods rental services 7.3 Other tourism services	

## Comparison of TSA-RMF tourism characteristic products and CTSA list of tourism commodities

TSA-RMF TOURISM CHARACTERISTIC PRODUCTS	CTSA-TOURISM COMMODITIES	NOTES
<b>1. Accommodation services</b> 1.1 Hotels and other lodging services 1.2 Second homes services on own account or for free	<b>Accommodation</b> Hotels Motels Camping Other accommodation B3	TSA-RMF mentions student residences, not included by CTSA. CTSA estimate for rental of private cottages included under other accommodation.
<b>2. Food- and beverage-serving services</b>	<b>Food and beverage services</b> Meals from accommodation Meals from restaurants Alcoholic beverages from accommodation Alcoholic beverages from restaurants Meals and alcoholic beverages from other tourism industries	CTSA correctly ignores services of institutional canteens. No explicit estimate made of visitor expenditure on mobile food services, hot dog stands etc.
<b>3. Passenger transport services</b> 3.1 Interurban railway transport services 3.2 Road transport services 3.3 Water transport services 3.4 Air transport services 3.5 Supporting passengers transport services 3.6 Passenger transport equipment rental 3.7 Maintenance and repair services of passenger transport equipment	<b>Transportation</b> Passenger rail Interurban, charter and tour bus, Taxis, limousines, airport shuttles etc. Passenger water Passenger air Vehicle rental Vehicle repairs and parts	CTSA treats urban transit as a non-tourism commodity CTSA includes some supporting passenger services (e.g. ticket offices) elsewhere but considers others to be non-tourism CTSA includes only rental of cars, RV and campers for own use without operator. Chartering of fishing boats included in water transportation. Other transport equipment rental not explicitly estimated. CTSA includes only motor vehicle maintenance and repairs and minor repairs to pleasure boats included in services of marinas in recreation Motor vehicle parts explicitly estimated as goods.
<b>4. Travel agency, tour operator and tourist guide services</b> 4.1 Travel agency services 4.2 Tour operator services 4.3 Tourist information and tourist guide services	<b>Travel agency services</b>	CTSA valuation of Travel Agency services not as recommended by TSA-RMF but conforms to CSNA practice. Fishing and hunting guides included in Recreation
<b>5. Cultural services</b> 5.1 Performing arts 5.2 Museum and other cultural services	<b>Recreation and entertainment</b> Theatre, musicals, opera, dance, music, other performing arts, etc Museums, archives,	
<b>6. Recreation and other entertainment services</b> 6.1 Sports and recreational sport services 6.2 Other amusement and recreational services	<b>Recreation and entertainment</b> Spectator sports, Golfing, curling, skiing, bowling, roller skating, etc Amusement park, carnival and circuses, other amusement and recreational services	
<b>7. Miscellaneous tourism services</b> 7.1 Financial and insurance services 7.2 Other goods rental services 7.3 Other tourism services	not estimated implicitly included convention fees	Financial services not estimated. Others implicitly included as part of visitor expenditure. Pre-trip expenditures also included

**Comparison of TSA-RMF tourism characteristic activities and CTSA list of tourism industries**

<b>TSA-RMF TOURISM CHARACTERISTIC ACTIVITIES</b>	<b>CTSA- TOURISM INDUSTRIES</b>	<b>NOTES</b>
<b>1. Hotels and similar</b>	<b>Accommodation</b> Hotels Motels Camping Other accommodation	CTSA calculates rental of private cottages, an item not explicitly included in the TSA-RMF list and assigns it to Other accommodation.
<b>2. Second home ownership (imputed)</b>	not estimated	
<b>3. Restaurants and similar</b>	<b>Food and Beverage Services</b>	CTSA classifies the activity of Dinner Theatres in Recreation and Entertainment. TSA-RMF places them here.
<b>Passenger Transportation</b>	<b>Transportation</b>	CTSA does not create separate Passenger Transportation industries for any of the modes of Transportation as is done in the TSA-RMF list.
<b>4. Railway passenger transport services</b>	Railway transportation	
<b>5. Road passenger transport services</b>	Bus transportation Taxicabs, limousines and airport shuttles	CTSA places urban transit under non-tourism industries, TSA-RMF lists it here.
<b>6. Water passenger transport services</b>	Water transportation	CTSA includes "charter fishing boats" here. TSA - RMF places them in Sporting and other recreational services.
<b>7. Air passenger transport services</b>	Air transportation	
<b>8. Transport supporting services</b>		TSA-RMF selects certain transport supporting service activities for inclusion. CTSA includes the activity of transportation ticket offices with Travel Agencies . It includes all parking and treats it and other transport supporting service activities as non-tourism industries.
<b>9. Transport equipment rental</b>	Vehicle rental	CTSA includes only rental of cars, RV, and campers here. Rental of "charter fishing boats" is included under Water transportation. Other transport equipment rental is treated as part of non-tourism industries
<b>10. Travel agencies and similar</b>	<b>Travel Agencies and Tour Operators</b>	CTSA includes the activity of Tourist Guides under Recreation. TSA-RMF includes it here. CTSA includes the activity of ticket offices for sports, amusement , theatres here.
<b>11. Cultural services</b> <b>12. Sporting and other recreational services</b>	<b>Recreation and Entertainment</b>	TSA-RMF includes the activity of ticket offices for sports, amusement, theatres.here CTSA includes the activity of motion picture exhibition here, an activity not mentioned in the TSA-RMF list.
<b><i>The TSA-RMF list of Tourism characteristic activities does not show any industries corresponding to item 7 Miscellaneous tourism services, in the list of Tourism Characteristic Products</i></b>	<b>Other industries</b>	CTSA includes the activity of motor vehicle repair and fuel under Tourism industries and assigns convention fees to Hotels .It also includes activities associated with other goods purchased while travelling and certain single purpose consumer durables treated as pre-trip expenditures.