

Tourism in the Northern Ireland Economy

Updated estimates to 2005

June 2008

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Headlines

The total income generated by Tourism in 2005 was worth some 3.7 per cent of Gross Value Added (GVA) or £889 million to the Northern Ireland economy when assessed according to internationally recognised standards.

However, only just over a quarter of this was due to visitors from outside Northern Ireland (27 per cent of tourism GVA or £236 mn) with the rest being accounted for by Northern Ireland residents on day visits (£462 mn, 52 per cent), overnight stays (£89 mn), owning holiday homes (£29 mn) or spending money in NI in connection with outward travel (£72 mn).

Although it has increased from 0.9 per cent to 1.0 per cent, external visitors' contribution to the Northern Ireland economy (GVA) remains the lowest percentage of total national GVA of the countries of the UK or Ireland.

In total, some 41,300 jobs are supported by resident and non resident tourism activity (some 32,250 Full Time Equivalent) with about one quarter of these accounted for by out of state visitors.

Direct value added from tourism (£481 mn, which excludes the supply chain and indirect spending) is 2.0 per cent of total Northern Ireland GVA. The grand total of economic activity supported by tourism in 2005 is estimated as

- ⊖ £1,782 mn sales by NI producers
- ⊖ £889 mn gross value added, or 3.7 per cent of Northern Ireland's total GVA (GDP)
- ⊖ 41,300 jobs, or 5.2 per cent of the posts in Northern Ireland

The strongly growing sectors of demand are incoming overseas visitors and - it is estimated – increased day trip activity by residents of Northern Ireland.

2004 was more sluggish, primarily due to a recorded fall in domestic overnight holidays.

Northern Ireland's tourism economy – an update

A significant review of Northern Ireland's tourism economy was undertaken through 2006 and published in 2007. That review developed and applied new techniques for measuring tourism in the context of the wider Northern Ireland economy.

Those techniques, which are known as 'tourism satellite accounting' combine demand data, collected mainly through visitor surveys, with information on supplying industries. To underwrite the quality and acceptability of the economic measures the industry data must be compatible with the national accounts, and with the 'regional' data for Northern Ireland within those accounts. Limitations on industry data availability from UK sources at the time the original review was conducted meant that it covered in depth only 2003, and in the past six months it has been possible to update this. The update is for one year on a reasonably firm basis, because for 2004 new data is available on both visitors and supplying industries. Estimates are made on a provisional basis for 2005, for which year visitor data and locally collected economic data is available, but the full UK national and regional accounts will not be published until August 2008 at earliest.

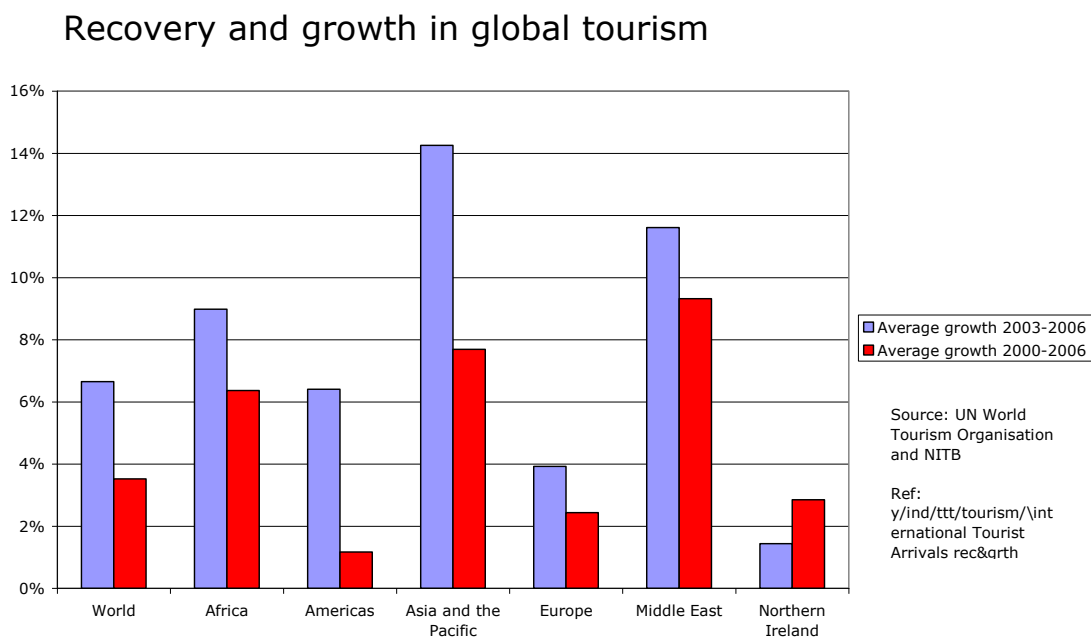
Thus this report presents statistics and estimates of the developing role of tourism in Northern Ireland in 2004, with preliminary estimates for 2005. It also includes minor updates of the data originally published for 2003, with the changes primarily due to alterations in (non-tourism) economic data and small adjustments to the accounting models.

World Tourism

On a global level the 9/11 crisis at the end of 2001 cancelled out all the tourism growth that had taken place that year, bringing to an end 19 years of growth at an average rate of 4.8 per cent. The world tourism economy stagnated in 2002 and 2003: visits to North America declined and in 2003 Asia was hit by economic difficulties as well as further terrorist incidents.

In 2004 global tourism arrivals rebounded by more than 10 percent, and over 2005 and 2006 grew by just below 5 per cent per year. As the largest of the five continental markets, Europe gets a large share of that growth, but the actual growth rates in percentage terms are much higher elsewhere.

Figure 1 Growth evolution 2000/2003/2006



Since 2000 the arrivals of out-of-state visitors in Northern Ireland have been growing slightly faster than in Europe but not as fast as the global total.

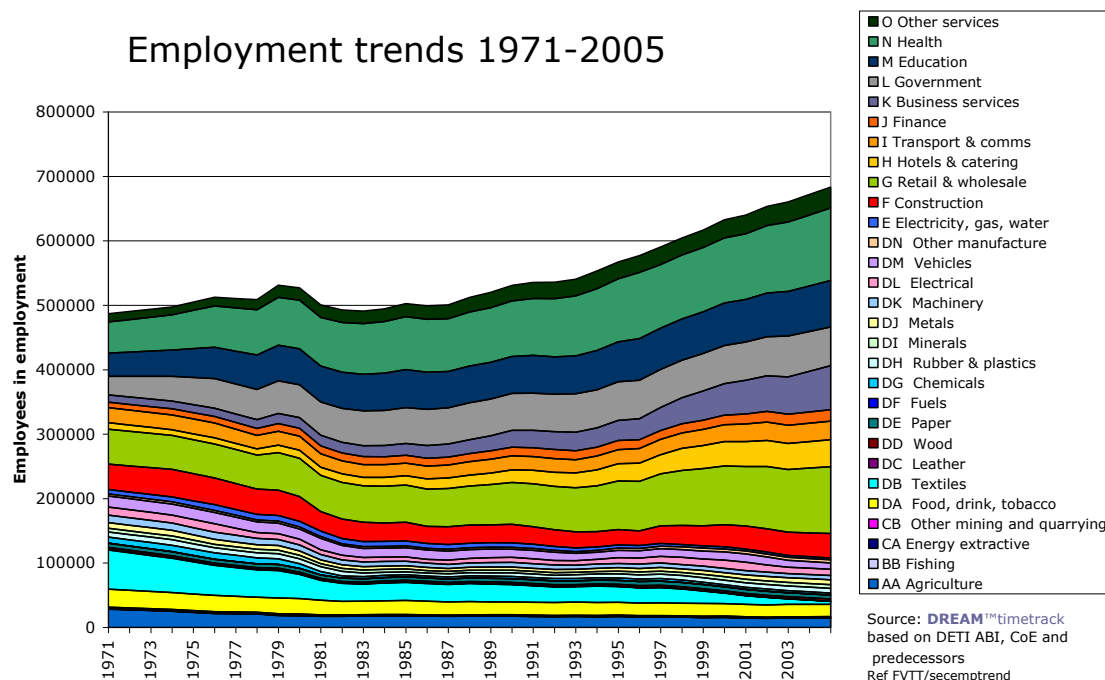
Table 1 Tourism growth rates

International tourist arrivals (World and Europe) and NI out-of-state arrivals							
	2000	2001	2002	2003	2004	2005	2006
World	7.4%	0.0%	3.0%	-1.8%	10.1%	4.8%	5.0%
Europe	6.9%	-0.2%	3.0%	0.0%	4.2%	3.3%	4.2%
NI o-o-s	1.0%	0.2%	3.9%	8.9%	4.7%	-0.7%	0.4%

2003 was the best year for growth in Northern Ireland's visitor numbers, and growth momentum carried on into 2004, but since then there has been no volume increase in overseas visitors. Accordingly, 'market share' has fallen back.

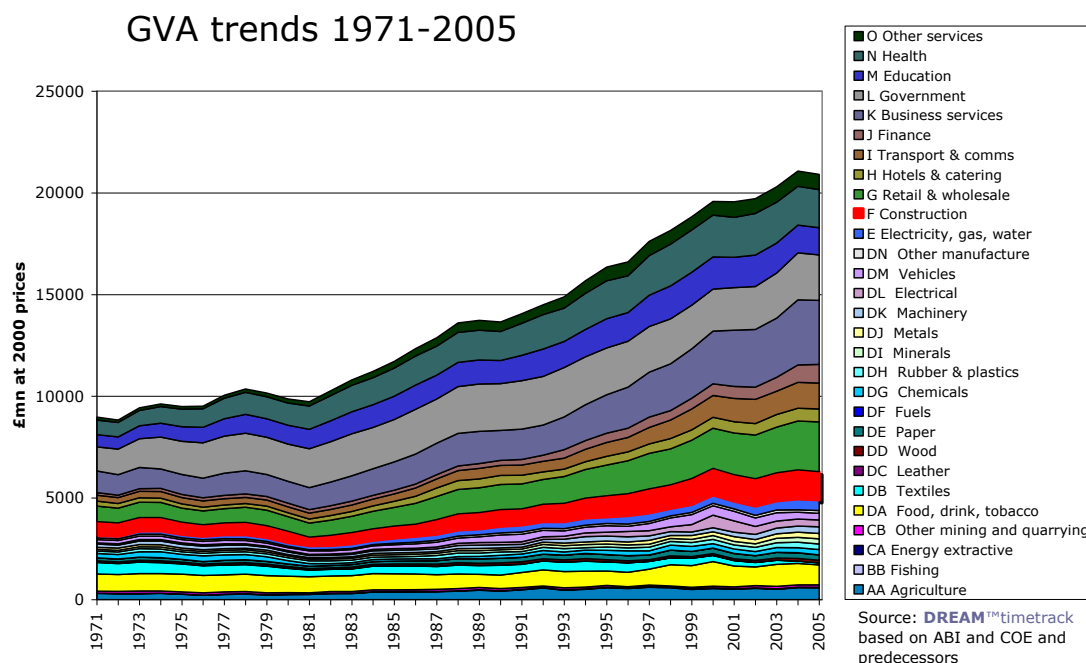
The Northern Ireland economy

Figure 2 Sectoral employment trends 1971-2005



Long term shifts in the Northern Ireland economy have maintained their momentum of the past twenty years. The number of people employed in producing goods has continued to fall (industries below the red band in Figure 2) whereas the numbers producing services has risen to more than compensate. In recent years the construction sector has expanded as a result of increasing political stability, the housing boom, and exports to the Republic of Ireland.

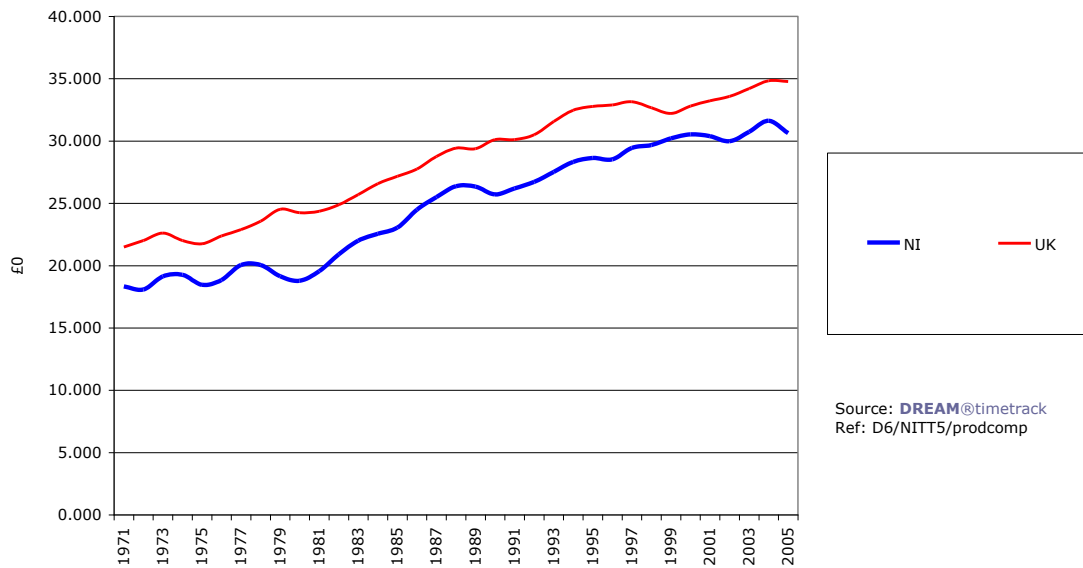
Figure 3 Real GVA trends 1971-2005



The year 2004 was one of strong growth for the economy but preliminary estimates by Cogentsi are that it slowed more-or-less to a standstill in 2005.

Figure 4 Productivity growth vs UK 1971-2005

Real GVA per employee (whole economy)



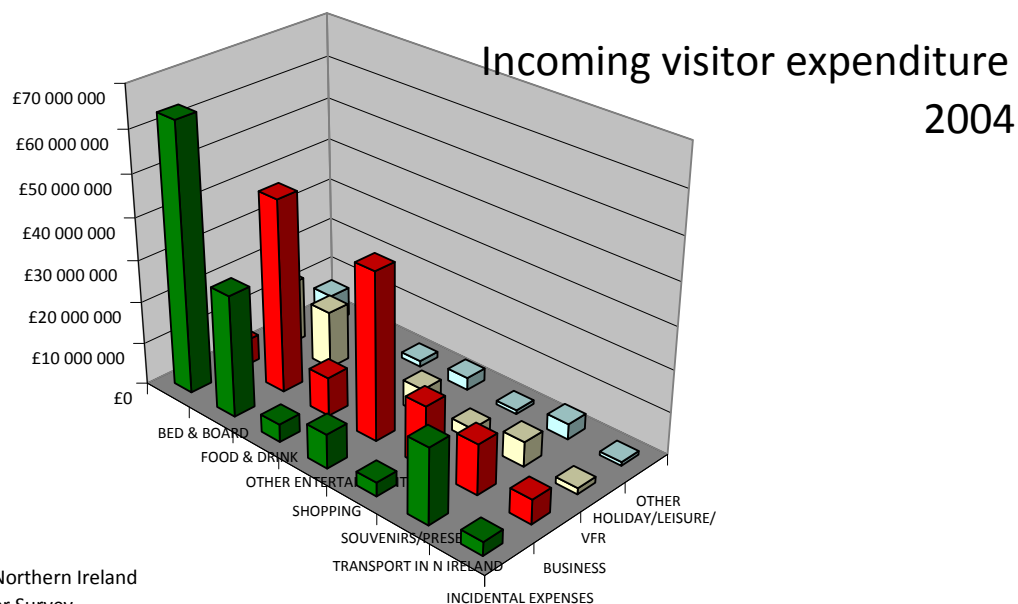
The productivity gap with the rest of the UK widened over 2001-2002, but output per employee has been broadly keeping pace since 2003. The gap in 2004 was barely more than 9 percent, lower than it has ever been, but provisional figures suggest it widened again in 2005 to 12 per cent. This difference partly arises from a lack of high productivity services and high tech manufacturing, and in addition there remain significant productivity gaps in some industries.

The tourism industries

We know from surveys conducted by the Northern Ireland Tourist Board (NITB) that spending by visitors to Northern Ireland increased by just over 10 per cent in 2004 and 14 per cent in 2005. These are welcome signs that the global community whose people visit us, particularly from Great Britain and the Republic of Ireland, are getting the message that Northern Ireland is at last open again for business as normal.

The two main sectors continue to be business, and people visiting friends and relatives:

Figure 5 Visitor expenditure by purpose of visit and item purchased



Source: Northern Ireland
Passenger Survey

Ref 2003-2005 OOS Expenditure

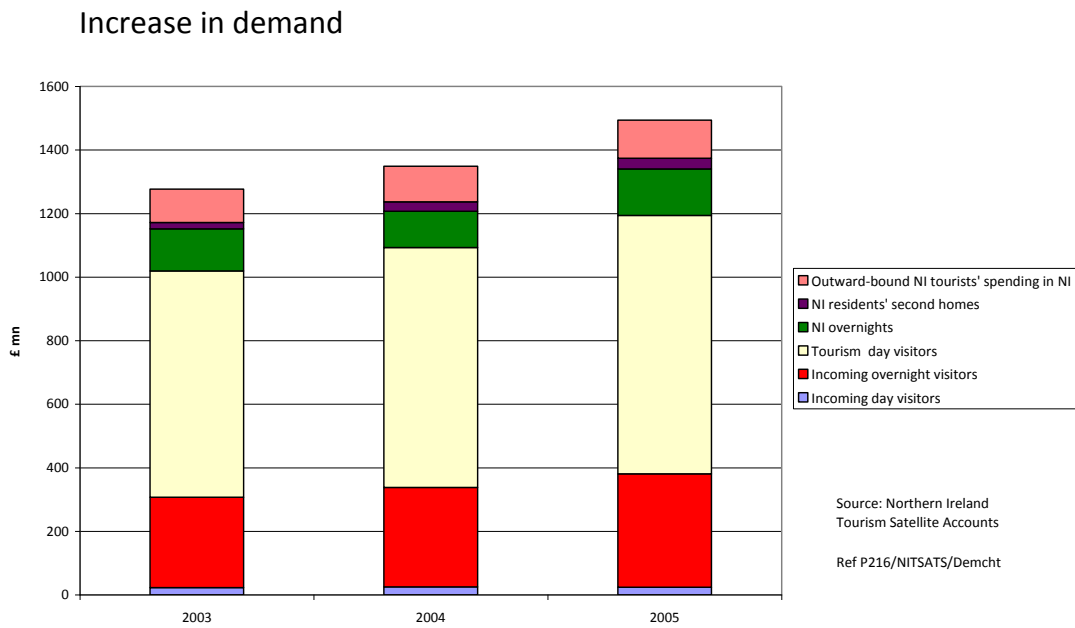
In addition it is likely that the amount of day tourism within Northern Ireland has also increased, with rising incomes. However there is not yet any direct measurement of this important aspect of the industry.

However according to the traditional source domestic overnight tourism within Northern Ireland fell significantly in 2004, with all categories of spending except the purchase of food and drink and clothing down by more than a third, according to the UK Tourism Survey. This may have been a result of some under-recording of visits, as resistance to telephone interviewing grew in some sectors of the community. The survey method was changed in 2005 to face-to-face interviewing in order to eliminate the possibility.

The annual equivalent value of holiday homes is counted as part of tourism expenditure, and this has increased significantly as house prices throughout Northern Ireland have risen. It is also likely that as incomes have improved, second home ownership has increased, and a small allowance has been made for this.

Therefore, as the chart on the following page shows, provisional tourism accounts for 2005 indicate estimated direct tourism consumption of £1.5 bn in 2005, up from £1.3 bn in 2003.

Figure 6 Growth in demand



This demand is supplied by a range of industries, some of which are characteristic of tourism (ie hospitality and transport) and others find their main role serving non-tourists, but nevertheless are substantially dependent on tourists.

Figure 7 Product mix of purchases

Products supplied directly to tourists in Northern Ireland, 2004

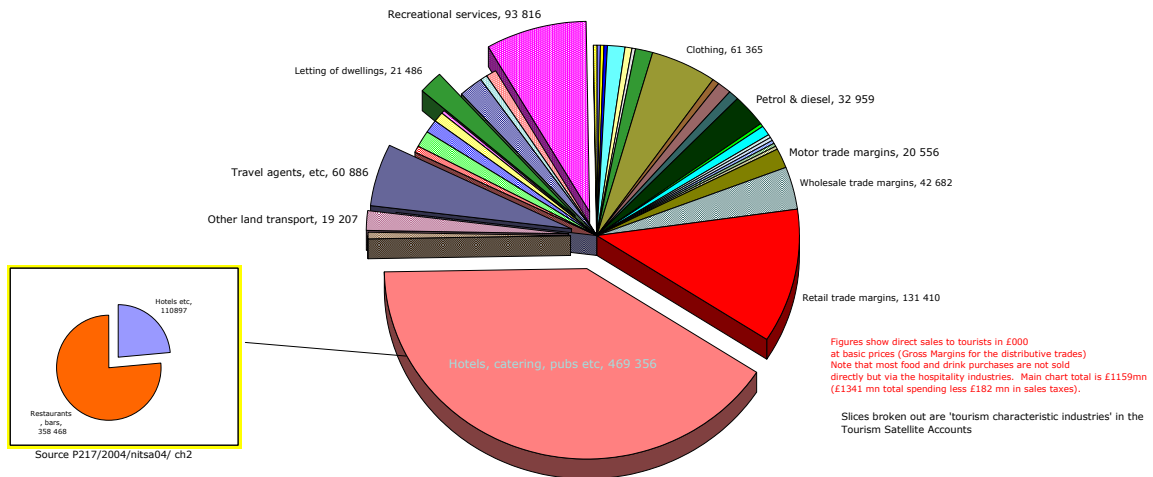
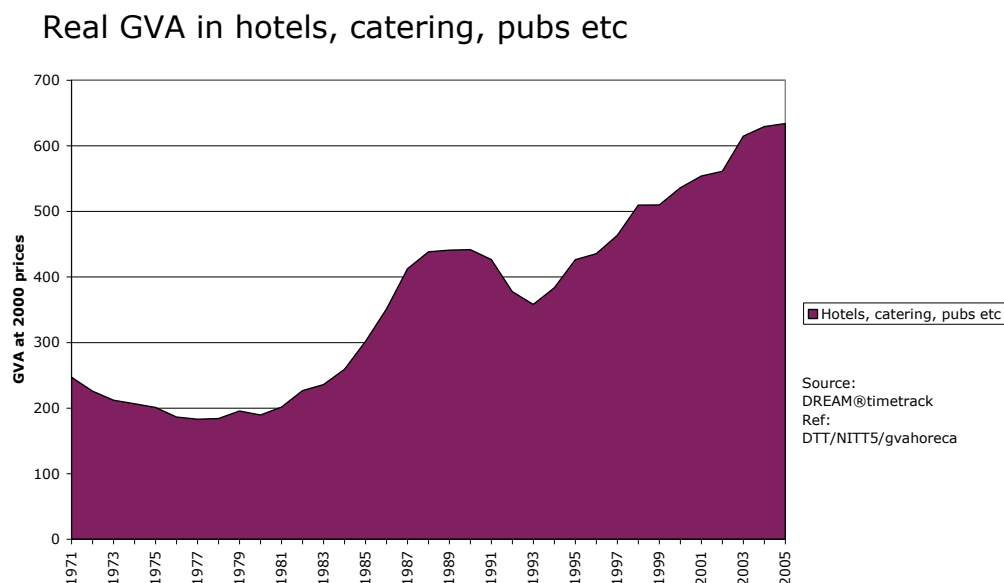


Figure 8 Growth of hospitality industries



The principal tourism industry, hotels and catering, has continued its unbroken period of growth since 1993.

Direct employment arising in tourism industries was almost unchanged in 2004, and indications are that it increased in 2005.

2003	Total jobs in industry	Tourism %ge	Supported by tourism	Male, full time	Male, part time	Female, full time	Female, part time	Self employed (est)	Full time equivalent
Hospitality	44886	37.3%	16739	2845	3523	2779	5987	1605	11984
Distributive trades	129845	4.3%	5643	1239	663	1024	1959	758	4331
Transport	22451	5.2%	1157	620	65	217	82	173	1083
Other services	380376	0.3%	1032	322	75	296	227	112	881
Primary and producti	179849	0.1%	154	88	3	30	9	23	147
Total	757407	3.3%	24724	5114	4329	4346	8264	2670	18427

Source: NITSA Ref P195/impact/Totspend/summary

2004	Total jobs in industry	Tourism %ge	Supported by tourism	Male, full time	Male, part time	Female, full time	Female, part time	Self employed (est)	Full time equivalent
Hospitality	46296	36.6%	16953	2925	3427	2885	5879	1837	12300
Distributive trades	136037	4.1%	5567	1185	657	981	1915	829	4281
Transport	23340	3.8%	885	445	50	171	65	149	823
Other services	393511	0.3%	988	315	71	274	205	122	850
Primary and producti	186590	0.1%	173	94	4	34	10	31	166
Total	785774	3.1%	24565	4964	4210	4346	8075	2967	18419

Source: NITSA Ref P216/nitsa04/summary

2005	Total jobs in industry	Tourism %ge	Supported by tourism	Male, full time	Male, part time	Female, full time	Female, part time	Self employed (est)	Full time equivalent
Hospitality	46716	39.8%	18575	3205	3755	3161	6441	2012	13476
Distributive trades	138199	4.5%	6183	1311	730	1090	2130	920	4752
Transport	23458	4.1%	964	484	55	187	71	163	897
Other services	400473	0.3%	1085	344	80	301	226	135	933
Primary and producti	182627	0.1%	199	107	5	39	12	36	191
Total	791472	3.4%	27006	5452	4625	4779	8881	3266	20249

Source: NITSA Ref P216/nitsa05/summary

There may be small discrepancies in these tables due to rounding to preserve confidentiality

The 'tourism percentage' figures for transport refer to the entire transport industry.

The chain of income generation from tourist to supplier is shown on the following three pages.

‘Nutshell’ tables

Table 2 Summary statistics 2003-2005

The 2003 tourism economy in a nutshell DEMAND

UPDATED

Incoming day visitors to Northern Ireland spend	£23 mn
and incoming overnight visitors	£284 mn
Leisure day visitors within Northern Ireland on long trips spent an estimated	£712 mn
and NI people staying away from home overnight within Northern Ireland spent	£133 mn
NI residents' second homes have an annual value of	£20 mn
and outward-bound NI tourists' spending in NI is	£105 mn
Thus identifiable 'tourism' expenditure in Northern Ireland totals	£1278 mn

SUPPLY

Vat and duty of £170 mn is collected on this leaving a net figure for purchases within NI of	£1108 mn
Many goods and some services are imported	£253 mn
Leaving demand on NI producers of goods and services as	£855 mn

VALUE CHAIN

The direct value added (GVA) in supplying these sales was	£433 mn
The direct number of jobs (employee-jobs and self employed) was	24720
of which the full-time equivalent is	18430
The indirect sales, value added and jobs arising in Northern Ireland in the supply chain are £280 mn, £124mn and 4430(3950FTE)	
When people working directly and in the supply chain spend their incomes they induce sales, value added and employment of £470 mn, £244 mn and 8740(6700FTE)	

GRAND TOTAL

<p>The grand total of economic activity supported by tourism is therefore</p> <p>£1605 mn sales by NI producers</p> <p>£801 mn gross value added, or 3.6 per cent of Northern Ireland's total GVA (GDP)</p> <p>37890 jobs, or 5.0 per cent of the posts in Northern Ireland</p>

Figures may not add precisely due to rounding

The 2004 tourism economy in a nutshell

DEMAND

Incoming day visitors to Northern Ireland spend	£25 mn
and incoming overnight visitors	£313 mn
Leisure day visitors within Northern Ireland on long trips spent an estimated	£755 mn
and NI people staying away from home overnight within Northern Ireland spent	£114 mn
NI residents' second homes have an annual value of	£21 mn
and outward-bound NI tourists' spending in NI is	£112 mn
Thus identifiable 'tourism' expenditure in Northern Ireland totals	£1341 mn

SUPPLY

Vat and duty of £182 mn is collected on this leaving a net figure for purchases within NI of	£1159 mn
Many goods and some services are imported	£296 mn
Leaving demand on NI producers of goods and services as	£863 mn

VALUE CHAIN

The direct value added (GVA) in supplying these sales was	£438 mn
The direct number of jobs (employee-jobs and self employed) was	24570
of which the full-time equivalent is:	18420
The indirect sales, value added and jobs arising in Northern Ireland in the supply chain are £284 mn, £127mn and 4190(3760FTE)	
When people working directly and in the supply chain spend their incomes they induce sales, value added and employment of £470 mn, £244 mn and 8540(7000FTE)	

GRAND TOTAL

<p>The grand total of economic activity supported by tourism is therefore</p> <p>£1617 mn sales by NI producers</p> <p>£809 mn gross value added, or 3.4 per cent of Northern Ireland's total GVA (GDP)</p> <p>37300 jobs, or 4.7 per cent of the posts in Northern Ireland</p>

Figures may not add precisely due to rounding

The 2005 tourism economy in a nutshell

PROVISIONAL

DEMAND

Incoming day visitors to Northern Ireland spend	£24 mn
and incoming overnight visitors	£357 mn
Leisure day visitors within Northern Ireland on long trips spent an estimated	£813 mn
and NI people staying away from home overnight within Northern Ireland spent	£146 mn
NI residents' second homes have an annual value of	£22 mn
and outward-bound NI tourists' spending in NI is	£120 mn
Thus identifiable 'tourism' expenditure in Northern Ireland totals	£1483 mn

SUPPLY

Vat and duty of £201 mn is collected on this leaving a net figure for purchases within NI of	£1282 mn
Many goods and some services are imported	£333 mn
Leaving demand on NI producers of goods and services as	£949 mn

VALUE CHAIN

The direct value added (GVA) in supplying these sales was	£481 mn
The direct number of jobs (employee-jobs and self employed) was	27010
of which the full-time equivalent is:	20250
The indirect sales, value added and jobs arising in Northern Ireland in the supply chain are £313 mn, £139mn and 4620 (4150FTE)	
When people working directly and in the supply chain spend their incomes they induce sales, value added and employment of £520 mn, £269 mn and 9660(7860FTE)	

GRAND TOTAL

<p>The grand total of economic activity supported by tourism is therefore</p> <p>£1782 mn sales by NI producers</p> <p>£889 mn gross value added, or 3.7 per cent of Northern Ireland's total GVA (GDP)</p> <p>41290 jobs, or 5.2 per cent of the posts in Northern Ireland</p>

Figures may not add precisely due to rounding

Tourism Satellite Accounts for 2004

This section sets out the Tourism Satellite Accounts for 2004 as constructed according to the Recommended Methodological Framework of the United Nations, OECD and Eurostat, the statistical agency of the European Union.

Tables in similar format have been prepared for the United Kingdom, Scotland, the Republic of Ireland and many other countries. However relatively full sets of tables for territories and jurisdictions below the level of the sovereign state are rare, and Northern Ireland can be considered amongst the leaders in this respect.

1.1 TSA Table 1: Inbound tourism consumption, by products and categories of visitors

Tourism Satellite Accounts Table 1		Northern Ireland 2004				
Inbound tourism consumption, by products and categories of visitors						
visitor final consumption expenditure						
net of distribution margins and agency/ tour operator margins						
Products	Same-day visitors	VFR	Holiday	Business	Other	Total
A. Tourism-specific products ^(a)						
A.1 Characteristic products						
1 – Accommodation services						
1.1 – Hotels and other lodging services (3)		£5 899	£14 319	£61 160	£6 705	£88 082
1.2 – Second homes services on own account or free of charge						
2 – Food and beverage serving services (3)	£10 924	£45 934	£13 721	£28 935	£7 870	£107 384
3 – Passenger transport services <i>Internal to Northern Ireland (exc own vehicle)</i>	£1 600	£4 230	£2 076	£6 336	£1 301	£15 544
3.1 Interurban railway (3)	£17	£45	£22	£68	£14	£166
3.2 Road (3)	£339	£895	£440	£1 341	£275	£3 291
3.3 Water (3)	£5	£12	£6	£18	£4	£44
3.4 Air (3)	£5	£12	£6	£18	£4	£44
3.5 Supporting services						
3.6 Car hire etc	£1 235	£3 266	£1 603	£4 891	£1 004	£12 000
3.7 Maintenance and repair services						
4 – Travel agency, tour operator and tourist guide services	£68	£427	£685	£2 819	£335	£4 334
4.1 Travel agency (1)						
4.2 Tour operator (2)						
4.3 Tourist information and tourist guide						
5 & 6 – Recreational, cultural and sporting services (3)	£1 593	£9 233	£2 540	£4 229	£1 379	£18 974
5.1 Performing arts						
5.2 Museum and other cultural services						
6.1 Sports and recreational sport services						
6.2 Other amusement and recreational services						
7 – Miscellaneous tourism services	£1 208	£5 755	£1 435	£3 219	£854	£12 472
7.1 Financial and insurance services	£562	£2 676	£667	£1 497	£397	£5 799
7.2 Other good rental services						
7.3 Other tourism services	£646	£3 079	£768	£1 723	£457	£6 673
A.2 Connected products						
distribution margins						
goods and services(4)						
memo: taxes on products included above	£1 767	£8 673	£3 270	£10 163	£1 707	£25 580
B. Non specific products-Retail	£9 245	£47 189	£9 915	£19 406	£5 276	£91 030
distribution margins	£2 305	£13 520	£2 702	£3 839	£1 288	£23 655
goods and services(4)	£3 619	£17 670	£4 266	£8 649	£2 271	£36 474
VAT and other product taxes	£3 321	£15 999	£2 947	£6 918	£1 716	£30 901
TOTAL	£24 639	£118 666	£44 691	£126 104	£23 719	£337 819
number of trips (000s)	632	861	375	590	158	2 616
number of overnights (000s)		4267	1357	2118	761	8 503

(a) Although called 'products', the international TSA manual includes no goods as 'characteristic' for the time being.

(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 which are shown separately in category 4

(4) The value is net of distribution margins which are itemised in the line above and includes purchases for motoring

1.2 TSA Table 2: Domestic tourism consumption, by products and categories of visitors

Tourism Satellite Accounts Table 2			Northern Ireland 2004						
Domestic tourism consumption, by products and categories of visitors									
visitor final consumption expenditure									
net of distribution margins and agency/ tour operator margins									
Products	Resident visitors travelling only within Northern Ireland			Resident visitors travelling to a different country(*)			All resident visitors		
	Same-day visitors (**)	Tourists	Total visitors	Same-day visitors	Tourists	Total visitors	Same-day visitors	Tourists	Total visitors
A. Tourism-specific products									
A.1 Characteristic products (a)									
1 – Accommodation services									
1.1 – Hotels and other lodging services (3)		£21 115	£21 115					£21 115	£21 115
1.2 – Second homes services on own account of for free									
2 – Food and beverage serving services (3)	£275 489	£34 040	£309 529	£1 926	£18 464	£20 390	£277 416	£52 504	£329 920
3 – Passenger transport services (3)	£26 488	£2 669	£29 157	£771	£12 723	£13 494	£27 260	£15 392	£42 651
3.1 Interurban railway (3)	£7 207	£624	£7 831	£207	£3 417	£3 624	£7 414	£4 041	£11 456
3.2 Road (3)	£13 277	£1 612	£14 890	£394	£6 497	£6 891	£13 671	£8 109	£21 781
3.3 Water (3)									
3.4 Air (3)									
3.5 Supporting services									
3.6 Transport equipment rental	£6 004	£433	£6 436	£170	£2 808	£2 979	£6 174	£3 241	£9 415
3.7 Maintenance and repair services									
4 – Travel agency, tour operator and tourist guide services		£1 434	£1 434		£55 384	£55 384		£56 818	£56 818
4.1 Travel agency (1)									
4.2 Tour operator (2)									
4.3 Tourist information and tourist guide									
5 & 6 – Recreational, cultural and sporting services (3)	£54 137	£14 605	£68 742				£54 137	£14 605	£68 742
5.1 Performing arts									
5.2 Museum and other cultural services									
6.1 Sports and recreational sport services									
6.2 Other amusement and recreational services									
7 – Miscellaneous tourism services	£33 942	£2 228	£36 170		£18 838	£18 838	£33 942	£21 066	£55 008
7.1 Financial and insurance services	£18 643	£1 260	£19 903				£18 643	£1 260	£19 903
7.2 Other good rental services									
7.3 Other tourism services	£15 298	£968	£16 266				£15 298	£968	£16 266
A.2 Connected products									
distribution margins									
goods (4)									
services									
B. Non specific products-Retail	£365 091	£38 243	£403 333	£2 553	£1 341	£3 893	£367 644	£39 583	£407 227
distribution margins	£138 727	£13 962	£152 689	£966	£507	£1 474	£139 693	£14 470	£154 163
goods and services net of margins	£143 101	£16 593	£159 694	£1 011	£531	£1 542	£144 112	£17 123	£161 236
VAT and other product taxes	£83 263	£7 687	£90 950	£576	£302	£878	£83 838	£7 990	£91 828
TOTAL	£755 146	£114 334	£869 480	£5 251	£106 749	£112 000	£760 397	£221 083	£981 480
number of trips (000s)		1 130							
number of overnights (000s)		3 270							

(a) See note under Table 1

(*) Expenditure of NI residents in NI but in direct connexion to travel outside NI.

(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

REF: P213/2004/NITSA04/ Table 2

1.3 TSA Table 3: Outbound tourism consumption, by products and categories of visitor

TSA Table 3		2004	
Outbound tourism consumption, by products and categories of visitors			
(visitor final consumption expenditure in cash)			
(Net valuation)			
£ thousands			
Products	Same-day visitors ⁵ (3.1)	Tourists (3.2)	Total visitors (3.3)=(3.1)+(3.2)
A. Specific products			
A.1 Characteristic products (a)			
1 – Accommodation services			
1.1 – Hotels and other lodging services (3)		£413 101	£413 101
1.2 – Second homes services on own account of for free			
2 – Food and beverage serving services (3)	£20 949	£308 740	£329 689
3 – Passenger transport services (3)	£11 552	£381 676	£393 229
4 – Travel agency, tour operator and tourist guide services		£11 077	£11 077
5 & 6 – Recreational, cultural and sporting services (3)	£6 162	£217 609	£223 771
7 – Miscellaneous tourism services	£4 695	£35 452	£40 147
A.2 Connected products			
distribution margins			
goods (4)			
services			
B. Non specific products-Retail	£16 151	£281 231	£297 382
TOTAL	£59 510	£1 648 886	£1 708 396
		3 500	3 500
		18 300	18 300

(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
- (5) preliminary estimate

1.4 TSA Table 4: Internal tourism consumption, by products and type of tourism

Tourism Satellite Accounts Table 4 Northern Ireland 2004					
Internal tourism consumption, by products and types of tourism					
	Visitors final consumption expenditure in cash			Other components of visitors consumption	Internal tourism consumption (in cash and in kind)
	Inbound tourism consumption	Domestic tourism consumption	Internal tourism consumption in cash		
Products					
A. Specific products					
A.1 Characteristic products (a)					
1 – Accommodation services					
1.1 – Hotels and other lodging services (3)	£88 082	£21 115	£109 197		£109 197
1.2 – Second homes services on own account of for free				£21 426	£21 426
2 – Food and beverage serving services (3)	£107 384	£329 920	£437 303		£437 303
3 – Passenger transport services (3)	£15 544	£42 651	£58 195		£58 195
3.1 Interurban railway (3)	£166	£11 456			
3.2 Road (3)	£3 291	£21 781			
3.3 Water (3)	£44				
3.4 Air (3)	£44				
3.5 Supporting services					
3.6 Transport equipment rental	£12 000	£9 415	£21 415		£21 415
3.7 Maintenance and repair services					
4 – Travel agency, tour operator and tourist guide services	£4 334	£56 818	£61 152		£61 152
4.1 Travel agency (1)					
4.2 Tour operator (2)					
4.3 Tourist information and tourist guide					
5 & 6 – Recreational, cultural and sporting services (3)	£18 974	£68 742	£87 716		£87 716
5.1 Performing arts					
5.2 Museum and other cultural services					
6.1 Sports and recreational sport services					
6.2 Other amusement and recreational services					
7 – Miscellaneous tourism services	£12 472	£55 008	£67 479		£67 479
7.1 Financial and insurance services	£5 799	£19 903	£25 702		£25 702
7.2 Other good rental services					
7.3 Other tourism services	£6 673	£16 266	£22 939		£22 939
A.2 Connected products distribution margins goods (4) services					
B. Non specific products-Retail distribution margins goods and services(4) VAT and other product taxes	£91 030 £23 655 £36 474 £30 901	£407 227 £154 163 £161 236 £91 828	£498 257 £177 818 £197 709 £122 730		£498 257 £177 818 £197 709 £122 730
TOTAL	£337 819	£981 480	£1 319 299	£21 426	£1 340 726
Value of domestically produced goods net of distribution margins and tax	£8 812	£29 492	£38 304		
Value of imported goods net of distribution margins and tax	£18 339	£109 279	£127 617		
Value of domestically produced services net of tax	£216 987	£614 651	£831 638	£21 426	
Value of imported services net of UK tax	£6 784	£28 629	£35 414		

(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

(4) The value is net of distribution margins

1.5 TSA Table 5: Production accounts of tourism industries and other industries

5

Northern Ireland 2004 Output accounts of tourism industries and other industries

TSA CODE/ UKIO/ SIC 2003		Accommodation services	Hotels	Youth hostels and mountain refuges	Camping sites, including caravan sites	Other provision of lodgings not elsewhere classified	Second homes: Letting of own property (part: imputed rent)	Food and beverage serving services	Restaurants	Bars	Canteens	Catering
	Industry	TSA1	5510	5521	5522	5523	7020	TSA2	5530	5540	5551	5552
A	Specific industries											
A1	Characteristic industries(a)											
TSA1	Accommodation services	£301 491										
5510	Hotels		£254 724									
5521	Youth hostels and mountain refuges			£1 127								
5522	Camping sites, including caravan sites				£8 863							
5523	Other provision of lodgings not elsewhere classified					£15 350						
7020	Second homes: Letting of own property (part: imputed rent)						£21 426					
TSA2	Food and beverage serving services							£1 001 691				
5530	Restaurants								£487 694			
5540	Bars									£425 037		
5551	Canteens										£741	
5552	Catering											£88 219
TSA3	Passenger transport services											
6010	Transport via railways											
6021	Other scheduled passenger land transport											
6022	Taxi operation											
6023	Other passenger land transport											
7110	Renting of automobiles											
TSA4	Travel agency, tour operator and tourist guide services (b)											
TSA5,6	Recreational, cultural and sporting services											
TSA7	Miscellaneous tourism services											
A2	Connected products											
	distribution margins											
	services											
B	Non specific products											
IO35	Motor fuel/oil refining etc											
	Garage services etc											
	Other goods											
	Other services											
	Distribution margins (exc motor trade)											
	TOTAL output (at basic prices)	£301 491	£254 724	£1 127	£8 863	£15 350	£21 426	£1 001 691	£487 694	£425 037	£741	£88 219
	Total domestic and imported inputs (at purchasers price)	£93 626	£83 781	£273	£4 611	£4 960		£539 618	£204 749	£294 783	£604	£39 482
	Total gross value added of activities (at basic prices) ¹	£207 865	£170 942	£854	£4 252	£10 390	£21 426	£462 072	£282 944	£130 254	£138	£48 737
	Compensation of employees ¹	£91 518	£84 409	£530	£2 047	£4 532		£294 482	£142 478	£107 016	£672	£44 317
	Gross operating surplus	£107 539	£78 521	£289	£1 927	£5 375	£21 426	£136 084	£125 127	£9 870	-£557	£1 645
	Taxes on production less subsidies (at IO industry average)	£8 809	£8 012	£35	£279	£483		£31 506	£15 339	£13 369	£23	£2 775

X does not apply

(a) See note under Table 1

(b) The value is total output inclusive of margins

© included at annual average rate of Regional Transportational StrategyS

¹ Northern Ireland Annual Business Inquiry 2000

4-6 and 8-9 are amalgamated to avoid disclosure, 11-12 to conform with tourist expenditure

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5

Northern Ireland 2004
Output accounts of tourism industries and other industries

TSA CODE/ UKIO/ SIC 2003		Passenger transport services	Transport via railways	Other scheduled passenger land transport	Taxi operation	Other passenger land transport	Renting of automobiles	Travel agency, tour operator and tourist guide services (b)	Recreational, cultural and sporting services	Miscellaneous tourism services	Total tourism industries	Non-tourism industries
	Industry	TSA3	6010	6021	6022	6023	7110	TSA4	TSA5,6	TSA7		
A	Specific industries											
A1	Characteristic industries(a)											
TSA1	Accommodation services										301490.9497	
5510	Hotels										£254 724	
5521	Youth hostels and mountain refuges										£1 127	
5522	Camping sites, including caravan sites										£8 863	
5523	Other provision of lodgings not elsewhere classified										£15 350	
7020	Second homes: Letting of own property (part: imputed rent)										£21 426	
TSA2	Food and beverage serving services										£1 001 691	
5530	Restaurants										£487 694	
5540	Bars										£425 037	
5551	Canteens										£741	
5552	Catering										£88 219	
TSA3	Passenger transport services	£456 330									£456 330	
6010	Transport via railways		£107 946								£107 946	
6021	Other scheduled passenger land transport			£163 233							£163 233	
6022	Taxi operation				£39 298						£39 298	
6023	Other passenger land transport					£20 950					£20 950	
7110	Renting of automobiles						£124 903				£124 903	
TSA4	Travel agency, tour operator and tourist guide services (b)							£198 899			£198 899	
TSA5,6	Recreational, cultural and sporting services								£3 333 433		£3 333 433	
TSA7	Miscellaneous tourism services											
A2	Connected products											
	distribution margins services											
B	Non specific products											£47 510 538
IO35	Motor fuel/oil refining etc											£26 716
	Garage services etc											£1 045 133
	Other goods											£19 433 019
	Other services											£22 352 070
	Distribution margins (exc motor trade)											£4 653 600
	TOTAL output (at basic prices)	£456 330	£107 946	£163 233	£39 298	£20 950	£124 903	£198 899	£3 333 433		£5 291 843	£47 510 538
	Total domestic and imported inputs (at purchasers price)	£185 158	£72 341	£59 841	£18 526	£13 182	£21 267	£170 910	£2 500 629		£3 489 940	£25 745 255
	Total gross value added of activities (at basic prices) ¹	£271 172	£35 605	£103 391	£20 772	£7 769	£103 636	£27 989	£832 804		£1 801 903	£21 765 283
	Compensation of employees ¹	£167 006	£26 223	£113 306	£10 971	£7 467	£9 040	£30 204	£501 123		£1 084 333	£12 962 603
	Gross operating surplus	£146 856	£32 262	£10 915	£9 567	£177	£93 936	-£4 872	£326 877		£712 484	£8 615 353
	Taxes on production less subsidies (at IO industry average)	-42690.17238	-£22 880	-£20 830	£234	£125	660.3815814	£2 657	£4 804		£5 085	£187 327

X does not apply

(a) See note under Table 1

(b) The value is total output inclusive of margins

© included at annual average rate of Regional Transportational StraegyS

¹ Northern Ireland Annual Business Inquiry 2000

4-6 and 8-9 are amalgamated to avoid disclosure, 11-12 to conform with tourist expenditure

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1.6 TSA Table 6: Domestic supply and tourism consumption, by products

6 Northern Ireland 2004 Domestic supply and internal tourism consumption, by outputs					
TSA CODE/ UKIO/ SIC 2003	Industry	TOTAL tourism industries			
		output	inc tax margins at IO rates	tourism share	%
A	Specific industries				
A1	Characteristic industries(a)				
TSA1	Accommodation services	£301 491	£343 478	£130 624	38%
5510	Hotels	£254 724			
5521	Youth hostels and mountain refuges	£1 127			
5522	Camping sites, including caravan sites	£8 863			
5523	Other provision of lodgings not elsewhere classified	£15 350			
7020	Second homes: Letting of own property (part: imputed rent)	£21 426			
TSA2	Food and beverage serving services	£1 001 691	£1 141 192	£437 303	38%
5530	Restaurants	£487 694			
5540	Bars	£425 037			
5551	Canteens	£741			
5552	Catering	£88 219			
TSA3	Passenger transport services	£456 330	£420 342	£58 195	14%
6010	Transport via railways	£107 946	£72 415		
6021	Other scheduled passenger land transport	£163 233	£153 521		
6022	Taxi operation	£39 298	£36 960		
6023	Other passenger land transport	£20 950	£19 704		
7110	Renting of automobiles	£124 903	£137 743		
TSA4	Travel agency, tour operator and tourist guide services (b)	£198 899	£262 797	£61 152	23%
TSA5,6	Recreational, cultural and sporting services	£3 333 433	£3 776 895	£87 716	2%
TSA7	Miscellaneous tourism services				
A2	Connected products				
	distribution margins				
	services			£383 636	
B	Non specific products				
IO35	Motor fuel/oil refining etc			£747	3%
	Garage services etc			£20 555	£0
	Other goods			£17 588	£0
	Other services			£180 319	£0
	Distribution margins (exc motor trade)			£164 427	4%
	TOTAL output (at basic prices)	£5 291 843			
	Total inputs (at purchasers price netof taxes)	£3 489 940		£1 044 518	
	Total gross value added of activities (at basic prices) ¹	£1 801 903			
	Compensation of employees ¹	£1 084 333			
	Gross Operating surplus	£712 484			
	Taxes on production less subsidies (at IO industry average)	£5 085			

(a) See note under TSA Table 1

(b) The value is total output inclusive of margins

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1.7 TSA Table 7: Employment in tourism industries

7 Northern Ireland 2004 Employment in tourism industries

TSA CODE/ UKIO/ SIC 2003	Industry	TOTAL tourism industries			%	Tourism allocation
		employees	est self employed	total		
A	Specific industries					
A1	Characteristic industries(a)					
TSA1	Accommodation services	8 976	1 254	10 230	38%	3 890
5510	Hotels	8 365				
5521	Youth hostels and mountain refuges	59				
5522	Camping sites, including caravan sites	129				
5523	Other provision of lodgings not elsewhere classified	425				
7020	Second homes: Letting of own property (part: imputed rent)					
TSA2	Food and beverage serving services	32 305	3 761	36 066	38%	13 820
5530	Restaurants	17 855				
5540	Bars	10 605				
5551	Canteens	82				
5552	Catering	3 764				
TSA3	Passenger transport services	6 417	674	7 091	14%	982
6010	Transport via railways	776	134			
6021	Other scheduled passenger land transport	4 310	161			
6022	Taxi operation	588	78			
6023	Other passenger land transport	323	202			
7110	Renting of automobiles	420	100			
TSA4	Travel agency, tour operator and tourist guide services (b)	1 524	835	2 359	23%	549
TSA5,6	Recreational, cultural and sporting services	15 428	3 491	18 919	2%	439
TSA7	Miscellaneous tourism services					
A2	Connected products					
	distribution margins					
	services					
B	Non specific products					
IO35	Motor fuel/oil refining etc	50	6	55		
	Garage services etc	15 324	2 744	18 068		
	Other goods	132 325	54 210	186 534		4 884
	Other services	358 303	30 180	388 483		
	Distribution margins (exc motor trade)	100 300	17 670	117 970		
	Total	670 950	114 825	785 774		24 565

(a) See note under Table 1

(b) The value is total output inclusive of margins

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1.8 TSA Table 10: Non-monetary indicators

10

Northern Ireland 2004 Non-monetary tourism indicators

Trips (000)	Trips	Nights	Accommodation	No	Bedspaces	Bedspace* occupancy	Visitors (o-o-s) as % total
Visitors to Northern Ireland	1985	8504	Hotels	131	5932	41%	61%
Domestic holidays	749	2233	Guesthouses	140	1057	26%	59%
Tourism day trips (>3 hrs)	27801		Self catering	691	3249	52%	59%
Other leisure day trips (<3 hrs)	126841		Other accommodation	728	5389		

*unit occupancy April-September for self-catering
o-o-s : out-of-state

Appendix: Methodological Outline

The updating of the Tourism Satellite Accounts entails three major activities: data collection, data synthesis and modelling, and economic contextualisation.

The first is carried out largely by the Northern Ireland Tourist Board who collate available information on tourism expenditure within Northern Ireland. This is particularly based on the Northern Ireland Passenger Survey, carried out by NITB itself. It also relies in part on the United Kingdom Tourism Survey, to which NITB contributes as a national tourist board. The former provides the bulk of information on incoming visitors and the latter is used to make an estimate of domestic overnight tourism within Northern Ireland.

The Board also cooperates with Fáilte Ireland, and through them with the Central Statistics Office of the Republic of Ireland, in bringing to bear data on those crossing the land frontier from the Republic. It also uses CSO expenditure data.

The main role for modelling has been tourism day visits within Northern Ireland, which are a large element of tourism expenditure and are not currently measured by surveying. An original estimate was made for the 2003 Tourism Satellite Accounts by comparing the economic, social and geographical structure of Northern Ireland with that of the other countries and regions of the United Kingdom. This enabled data from the Great Britain Leisure Day Visit Survey to be translated to Northern Ireland circumstances.

For the updating it has also been necessary to interpolate from year to year, as the GB LDVS is only held occasionally (1996, 1998 and 2003). The previous modelling work was augmented with additional work relating the pattern of day visiting over time to incomes and price levels, deriving income elasticities for both the number of trips and the amount spent per trip. In addition, our understanding of the role of distance in leisure day visits has developed, allowing us to slightly improve the model translation to NI. Thus a new model of recreational day trips was used to update the Northern Ireland figures from 2003, to 2004 and 2005.

The third stage of constructing TSAs is to bring this actual and modelled expenditure data into the context of the national accounts of Northern Ireland. For the 2003 exercise a first set of social accounts and input output tables was established, and for the updating this has been done again for 2004. In principle this was identical to the 2003 exercise, except that trade was treated slightly differently because of differing data availability (some new sources have appeared, and some previously available could not be used).

It is not yet possible to prepare full economic accounts for Northern Ireland for 2005 because the UK-level information is not yet available, and, indeed, some of it will not be published.¹ Some elements can be estimated with judicious use of 2004 data where this is appropriate.

In the grand synthesis, detail from the input output tables is combined with the tourism surveys to provide a detailed product-by-product picture of the goods and services that tourists are buying. We also use the information to trace the supply chains and other expenditure chains through which tourism income percolates the economy. Detailed industry accounts within the social accounts and input output tables enable us to measure how much of each industry in Northern Ireland is dependent upon the demands of tourists, and thus to derive that directly and indirectly about 4 per cent of the economic activity in Northern Ireland (depending on the measure used) is attributable to tourism. The following table summarises the results for the three years so far. We repeat for emphasis that 2004 should be considered provisional and 2005 highly preliminary.

¹ The lack of publication is primarily a result of changing procedures at the Office for National Statistics together with the Office's move from London to Newport. Publication will be resumed, and the current plan is for it to start again in 2008, with detailed data for 2006.

	Units	2003 revised	2004	2005 provisional
DEMAND (spending)				
Incoming day visitors	£ mn	23	25	24
Incoming overnight visitors	£ mn	284	313	357
Tourism day visitors	£ mn	712	755	813
NI overnights	£ mn	133	114	146
NI residents' second homes	£ mn	20	21	22
Outward-bound NI tourists' spending in NI	£ mn	105	112	120
Identifiable 'tourism' expenditure in Northern Ireland total	£ mn	1278	1341	1483
SUPPLY				
Vat, duty, subsidies	£ mn	170	182	201
Demand net of VAT, duty subsidies	£ mn	1108	1159	1282
Imports	£ mn	253	296	333
Demand on NI producers	£ mn	855	863	949
VALUE CHAIN				
Direct GVA NI producers	£ mn	433	438	481
Direct jobs	number	24720	24570	27010
Direct FTEs	number	18430	18420	20250
INDIRECT				
Sales	£ mn	280	284	313
Value added	£ mn	124	127	139
Jobs	number	4430	4190	4620
FTEs	number	3950	3760	4150
INDUCED				
Sales	£ mn	470	470	520
Value added	£ mn	244	244	269
Jobs	number	8740	8540	9660
FTEs	number	6700	7000	7860
GRAND TOURISM TOTAL				
Sales		1605	1617	1782
Value added		801	809	889
Jobs		37890	37300	41290
FTEs		29080	29180	32260
% of NI totals				
Sales		3.3%	3.1%	3.3%
Value added		3.6%	3.4%	3.7%
Jobs		5.0%	4.7%	5.2%
FTEs		4.5%	4.3%	4.8%
Total all industries				
Sales		48853	52802	54818
Value added		22152	23462	24227
Jobs		757407	785774	791472
FTEs		648383	674586	678120

Figures may not add precisely due to rounding

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