



# Tourism Satellite Account

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# Tourism Satellite Account

## Abstract

New Zealand Tourism Satellite Account (TSA) has been developed and published by Statistics New Zealand. It complies with international standards set out by the World Tourism Organization (WTO) and OECD. The methodology used in the Tourism Satellite Account follows international guidelines developed by the World Tourism Organisation (WTO) and the Organisation for Economic Co-operation and Development (OECD).

The satellite account was funded by the Ministry of Tourism (prior to 2011), then the Ministry of Economic Development and now the Ministry of Business, Innovation and Employment. It is one component of a 'core set' of tourism data.

## Purpose

Tourism Satellite Account provides a picture of the role tourism plays in New Zealand, with information on the changing levels and impact of tourism activity. It presents information on tourism's contribution to the New Zealand economy in terms of expenditure and employment.

Developed and published by Statistics New Zealand, the tourism satellite account is compiled under a United Nations World Tourism Organization framework and funded by the Ministry of Business, Innovation and Employment. It is part of a core set of tourism data that provides base information for understanding and monitoring tourism activity in New Zealand. Other elements of the core dataset include surveys of spending by international and domestic visitors, visitor arrival and accommodation statistics, and forecasts of tourist numbers and expenditure.

## Population

### Tourism Satellite Account Universe

Tourism Satellite Account Universe

#### Main users of the data

Government; Tourism Industry

#### Frequency

4 Annual

## Related Materials

### Related documentation

- [Tourism Satellite Account: Revised Treatment of International Students](#)

## Variables

## Concepts

### Tourism Satellite Account concepts

Name	Description
Indirect tourism value add	The value added generated from the purchase of goods that are subsequently resold to tourists, or the purchase of goods and services used in producing products that are sold directly to tourists. Producers of both these products have no direct relationship with the tourist.
Intermediate consumption	The value of non-durable goods and services used in production. Valuation is at purchaser's values.

LEED: Linked Employer-Employee Data	is an integration project that brings together Inland Revenue administrative data with Statistics NZ's Business Frame data, to provide employment statistics by industry and region. LEED data is available at the geographic unit level.
Characteristic tourism industry	An industry that "...would either cease to exist in its present form, producing its present product(s) or would be significantly affected if tourism were to cease". Organisation for Economic and Cultural Development (OECD)
Australian and New Zealand Standard Industrial Classification 1996 (ANZSIC96)	Developed for use in Australia and New Zealand for the production and analysis of industry statistics. This classification is used to allocate enterprises undertaking similar productive activities to the same industry. It has been progressively replaced by the Australian and New Zealand Standard Industrial Classification 2006 (ANZSIC06).
Australian and New Zealand Standard Industrial Classification 2006 (ANZSIC06)	Developed for use in Australia and New Zealand for the production and analysis of industry statistics. This classification is used to allocate enterprises undertaking similar productive activities to the same industry.
Balance of payments	New Zealand's balance of payments statements are records of the value of New Zealand's transactions in goods, services, income and transfers with the rest of the world, and the changes in New Zealand's financial claims on (assets), and liabilities to, the rest of the world.
Compensation of employees	the total remuneration, in cash or in kind, payable by an enterprise to an employee in return for work done by the employee during the accounting period. It has two sub-components: wages and salaries; and employers' social contributions. Compensation of employees is not payable for unpaid work undertaken voluntarily, including the work done by members of a household within an unincorporated enterprise owned by the same household. Compensation of employees excludes any taxes payable by the employer on the wage and salary bill (eg payroll tax, fringe benefits tax).
Direct tourism value add	The value added by producers from the production of goods and services that are sold directly to tourists. This results in a measure of the contribution of tourism to GDP that is consistent with that measured for other industries in the economy.
Domestic tourism expenditure	Comprises household, business and government tourist expenditure.
Domestic tourist	A New Zealand resident who travels within New Zealand but outside their usual environment. While travelling they do not stay in any one place for more than 12 months.
Exports of goods and services	All goods and services produced by New Zealand residents and purchased by the rest of the world. Exports of merchandise are valued free-on-board (f.o.b.).
Employee count (EC)	Employee count (EC) is head count of salary and wage earners sourced from taxation data. EC data is available on a monthly basis. This is mostly employees but can include a small number of working proprietors (who pay themselves a salary or wage).
Household Labour Force Survey (HLFS)	Statistics NZ's quarterly Household Labour Force Survey (HLFS) produces a range of statistics on the employed, unemployed, and those not in the labour force. The target population of the HLFS is the civilian, usually resident, non-institutionalised population aged 15 years and over. It therefore excludes people in non-private dwellings such as hospitals and prisons, visitors from overseas who are staying for less than 12 months, the armed forces, overseas diplomats in New Zealand, and people living on offshore islands (except Waiheke Island). The HLFS provides the FTE figures that are used in this release to calculate incidence rates.
Imports of Goods And Services	All goods and services produced by the rest of the world and purchased by New Zealand residents. Imports of merchandise are valued at cost, including insurance and freight (c.i.f.).

Household consumption expenditure (HCE)	<p>covers all outlays on consumer goods and services, including expenditure on durables such as motor vehicles and furniture, payments made by the government on behalf of households, and the imputed rent of owner-occupied dwellings. Households consist of New Zealand-resident individuals and families and consumption expenditure relates to their outlays both within New Zealand and overseas.</p> <p>As much of the source data used records total spending in New Zealand, final consumption expenditure of households is derived as follows: Final consumption expenditure in the domestic market plus expenditure overseas by New Zealand residents minus expenditure in New Zealand by foreign residents.</p> <p>Final consumption expenditure by New Zealand resident households Included is expenditure on: new durable and non-durable goods, excluding dwellings services and second-hand goods, reduced by the value of sales by households of similar goods. Transactions directly between households net out (e.g. garage sales) and for transactions between households through a dealer, only the dealer's margin plus any associated transfer costs are included (e.g. second-hand cars).</p>
International tourism expenditure	Comprises both international visitors' and international students' expenditure.
International tourist	A person who travels to a country other than that in which they have their usual residence, and outside their usual environment. While travelling, they do not stay in any one place for more than 12 months.
Net capital stock	The depreciated value of fixed assets valued at current replacement cost. It is derived as accumulated investment less accumulated consumption of fixed capital. It can be thought of as the value of the flow of services that assets in existence can produce over the remainder of their service lives.
New Zealand System of National Accounts (NZSNA)	New Zealand System of National Accounts is a comprehensive accounting framework based on an international standard, the 2008 System of National Accounts. The structure and content of the NZSNA transforms the countless economic transactions that take place each day into a framework, to analyse and compare important economic variables over time.
Non-tourism-specific industry	Any industry that is not a tourism-characteristic industry or a tourism-related industry. However, a non-tourism-specific industry may still sell some of its products to tourists.
Production approach to GDP (GDP (P))	The production approach to GDP measures the total value of goods and services produced in New Zealand, after deducting the cost of goods and services used in the production process. This is also known as the value-added approach.
Rolling mean employment (RME)	Rolling mean employment (RME) is the twelve month moving average of the monthly employee-count figure.
Tourism demand	GST-exclusive expenditure made by, or on behalf of, a tourist before, during, and after a trip. Tourism demand is equivalent to tourism expenditure, excluding GST
Tourism expenditure	Spending by, or on behalf of, a tourist before, during, and after a trip. This expenditure occurs either on the trip, or is travel related. The trip must be taken outside the usual environment of the tourist. This expenditure includes goods and services tax (GST).
Tourism Industry	The producing units belonging to tourism characteristic activities and other establishments not belonging to these activities but identified as serving principally visitors. World Tourism Organisation
Tourism intermediate consumption	The goods and services used in the process of production of products sold to tourists
Tourism output	The value of goods and services purchased by tourists, excluding imports sold directly to tourists. It is derived from tourism demand by removing the imports sold directly to tourists by retailers.
Tourism product ratio	The proportion of the total supply of a product or service that is consumed by tourists. It provides the means of classifying tourism products as outlined below.

Tourism Ratio	A tourism ratio represents the proportion of total supply of an industry, attributable to tourism demand. Organisation for Economic and Cultural Development (OECD)
Tourism value added	The 'value' a producer adds to the raw material goods and services and/or transformed goods it purchases in the process of production.
Tourism-characteristic product	is an item that would cease to exist in meaningful quantity, or for which the level of consumption would be significantly reduced, in the absence of tourists. A product is classified as a tourism-characteristic product if at least 25 percent of its production is purchased by tourists, or at least 25 percent of the industry's output is purchased by tourists, or the industry's output includes a tourism-characteristic product.
Tourist	Any person travelling to a place other than their usual environment for less than 12 months and whose main purpose is other than the exercise of an activity remunerated from within the place visited.
Usual environment	The place or places a person occupies within their regular routine of life (except places visited for leisure or recreational activities only).
Value added (National Accounts)	is the amount added to goods and services by the contributions of capital and labour (ie the value of output after the cost of bought-in materials and services has been deducted).
Basic prices	The price received by the producer exclusive of indirect taxes (less subsidies), and transport and trade margins. That is, the ex-plant price.
Consumption of fixed capital	This measures the decline in value of fixed assets used in production, as a result of physical deterioration and normal obsolescence.
Enterprise	a business or service entity operating in New Zealand, including a company, partnership, trust, estate, incorporated society, producer board, local or central government organisation, voluntary organisation, or self-employed individual. An enterprise makes financing and distributive decisions on behalf of its group of firms. It can operate at one or several locations.
Expenditure approach to GDP (GDP (E))	The expenditure approach to GDP (also known as gross domestic expenditure or GDE) measures the final purchases of goods and services produced in the New Zealand domestic territory. Exports are added to domestic consumption, as they represent goods and services produced in New Zealand, while imports are subtracted. Imports represent goods and services produced by other economies.
Goods for resale	Goods acquired for the purpose of reselling and without further processing or transformation.
Gross domestic product (GDP)	is the total market value of goods and services produced in New Zealand within a given period, after deducting the cost of goods and services used up in the process of production, but before deducting allowances for the consumption of fixed capital. Thus, GDP is 'at market prices'. It is equivalent to gross national expenditure, plus exports of goods and services, less imports of goods and services.
Gross fixed capital formation	The outlays of producers on durable fixed assets, such as buildings, motor vehicles, plant and machinery, hydro-electric construction, roading, and improvements to land. In measuring the outlays, sales of similar goods are deducted. Land is excluded from gross fixed capital formation. Included is the value of construction work done by a firm's own employees. The term "gross" indicates that consumption of fixed capital has not been deducted from the value of the outlays.
Gross Operating Surplus	This is a residual item, being gross output at producer's values less the sum of intermediate consumption, compensation of employees, and taxes on production and imports net of subsidies. It is approximately equal to accounting profit before the deduction of direct taxes, dividends, depreciation, interest paid and bad debts, and before the addition of interest and dividends received.

GST on production	<p>The Goods and Services Tax (GST) was introduced on 1 October 1986 and is imposed on all goods and services supplied in New Zealand, other than exempt supply. Registered suppliers of taxable goods and services pay GST on their intermediate purchases but credit may be claimed for this tax. As a result of this credit-offset mechanism, the final expense of GST levied on the supplies of registered producers is, in general, borne by the domestic consumer. GST is not a cost to businesses unless the business deals in or purchases exempt goods and services, provides employee fringe benefits, or does not register. The New Zealand System of National Accounts (NZSNA) reflects these valuations.</p> <p>The transactions of registered producers are recorded excluding GST while those of final consumers (including producers of exempt goods and services) are recorded at actual market prices. The potential imbalance between the value of goods and services produced and the value ultimately consumed is removed by including the item "GST on production" in the GDP account. This item produces a measure of the amount of GST included in the valuation of the final demand categories.</p>
Import duties and other unallocated indirect taxes	<p>These indirect taxes are levied on the purchaser of the taxed commodity and not on the seller so they are not recorded in the production accounts as a charge against the value of output. Consequently when GDP is derived by consolidating production accounts, the indirect taxes excluded must be added on. Import duties also appear as part of intermediate and final consumption, and stamp duty on purchases of land and buildings forms part of gross fixed capital formation.</p>
Operating surplus	<p>This is a residual item, being gross output at producer's values less the sum of intermediate consumption, compensation of employees, consumption of fixed capital, and indirect taxes net of subsidies. It is approximately equal to accounting profit before the deduction of direct taxes, dividends, interest paid and bad debts, and before the addition of interest and dividends received. The residual occurs as a result of operating income exceeding operating expenses.</p>
Output	<p>value of goods and services produced during a time period, regardless of whether they are produced for sale or own use.</p>
Purchasers' Price	<p>The amount paid by the purchaser inclusive of indirect taxes (less subsidies), trade margins (wholesale and retail) and transport costs. That is, the price for commodities supplied to the purchaser.</p>
Sales of Goods and Services	<p>Goods and materials manufactured from purchased materials; includes repairs and other services provided and sales of goods purchased for resale.</p>
Subsidies	<p>Grants made by Government to market-oriented producers who regard the transfers as an addition to income from current production. These grants include payments to ensure a guaranteed price, or to enable market prices of goods and services to be held below the cost of production. Transfers made by local authorities out of rates receipts to finance the losses of their trading departments, and deliberately incurred losses of government trading organisations are also included.</p>
Supply and use framework	<p>Framework within the national accounts that we use to confront and reconcile the annual production and expenditure estimates of GDP. The approach also provides the basis for checking consistency of the measures of the supply and use of goods and services, which are estimated from different statistical sources.</p>
Taxes on production and imports	<p>are assessed on producers for the production, sale, purchase, and use of goods and services, and which add to their market prices. Taxes include sales tax, local authority rates, import and excise duties, and fringe benefit tax. In the consolidated accounts of the nation we include goods and services tax.</p>
Tourism product ratio	<p><b>Tourism product ratio</b> The tourism industry ratio is the proportion of an industry's output that is consumed by tourists. It is used to classify industries.</p>