

Appendix 8: Technical Notes

1. The Tourism Industry spreads across a good number of industrial activities such as Accommodation, Food and Beverage, Transport, Travel Agencies, Recreation and Entertainment. The contribution of these industries is apportioned to determine the Direct Tourism Contribution. References are also made to other sources of information e.g. International Visitor Survey Reports for insights into tourist spending habits.
2. **Direct Tourism Contribution to GDP** is a percentage of the Direct Tourism Value added to the GDP at current basic price for a given year.

Direct Tourism Value Added	=	Gross Value Added of Tourism Industries	X	Tourism Industry Ratio
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- a. **Gross Value Added** is the sum of the Value Added of the Industries with Tourism Characteristics and Tourism Related Industries.
 - b. **Tourism Industry Ratio** is the proportion of an industry's output consumed by tourists.
3. **Value-added** is the 'value' that a producer adds to the raw material goods and services it purchases in the process of production. This is the difference between the Gross Output and the Intermediate Consumption.
 4. **Gross Output** is defined as gross value of all goods and services produced during the accounting period. These include income from production during the year, gross margin on resale goods, the value of capital construction for own account and other income.
 5. **Intermediate Consumption** consists of non-durable goods and services, which are used up, in the production process. In principle non-durable goods are those goods, which have an expected lifetime of use of less than one year, or less than the accounting period.
 6. A **Tourism-Characteristics Product** is one that would cease to exist in meaningful quantity, or for which the level of consumption would be significantly reduced in the absence of tourists. The international practice is that a product is classified as a tourism-characteristic product if at least 25 percent of its production is purchased by tourists (that is, a tourism-characteristics product has a tourism product ratio greater than or equal to 0.25).
 7. A **Tourism-Related Product** is a product that is distinct from a tourism-characteristics product in that tourists consume a smaller proportion of the total supply of the product. According to international practice, for a product to be classified as a tourism-related product, tourists must purchase more than 0 percent and less than 25 percent of its production (that is, a tourism-related product has a tourism product ratio that is greater than 0 and less than 25 percent) for Fiji this norm has been modified to 0-20 percent.
 8. Values are subject to rounding errors.

Definition (International Recommended Tourism Statistics 2008 - UNWTO):

Visitor – A visitor is a traveller taking a trip to a main destination outside his/her usual environment for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited.

Tourist - A visitor (domestic, inbound or outbound) is classified as a tourist (overnight visitor) if his/her trip includes an overnight stay, or as a same day visitor (or excursionist) otherwise.