



Central Statistics Office Ireland

Sector paper

Accommodation & Food Services sector





Contents

- Sources
- Overview of sector
- Classifications
 - Industry
 - Product
- Turnover
- Prices
- Summary of main issues



Sources

- Mini-presentations from Vienna 2010
 - Sweden, Finland, Mexico, Japan, Ireland
- Discussion at VG 2010
- Country Progress Reports
- Ad hoc survey on SPPI
- Previous VG papers



Overview of sector

- Large employer
 - Casual, part-time labour
- High number of SMEs
- Easy to set-up business in the sector
- Close links with tourism economy
- Most output from the sector goes to final demand
- Bundled products





ISIC Rev.4 Section I :
Accommodation & Food Services

Immediate
consumption

55. Accommodation

551 Short-term accommodation

552 Camping grounds, RVPs and
trailer parks

559 Other accommodation

56. Food & beverage services

561 Restaurants and mobile food service
activities

562 Event catering and other food service
activities

- 5621 Event catering
- 5629 Other food service activity

563 Beverage service activities



Industry classifications

Nace Rev.2

- Similar structure to ISIC
- More detail on short-term accommodation
- Some EU countries derive more detailed version for national uses

Naics 2007

- Similar structure to ISIC
- More detail on accommodation and food services

JSIC Rev.12

- Similar structure to ISIC
- Much more detail on accommodation and food & beverage services



Product classifications

CPC v.2

- Industry-of-origin based
- Items defined using criteria of the units providing the service
e.g. 63310 Meal serving services with full
restaurant services

CPA 2008

- Industry-of-origin based
- Slightly more detailed than CPC v.2

NAPCS 2007

- Uses characteristics of the service being exchanged as its basis
=> greater product coverage



Turnover

Annual
Structural
Statistics

- Very good availability of industry data
- Census / survey
- Administrative data

Short-term statistics

- Low availability of detailed data
- Survey
- Administrative data

Product statistics

- Low availability
- Survey

Other output measures

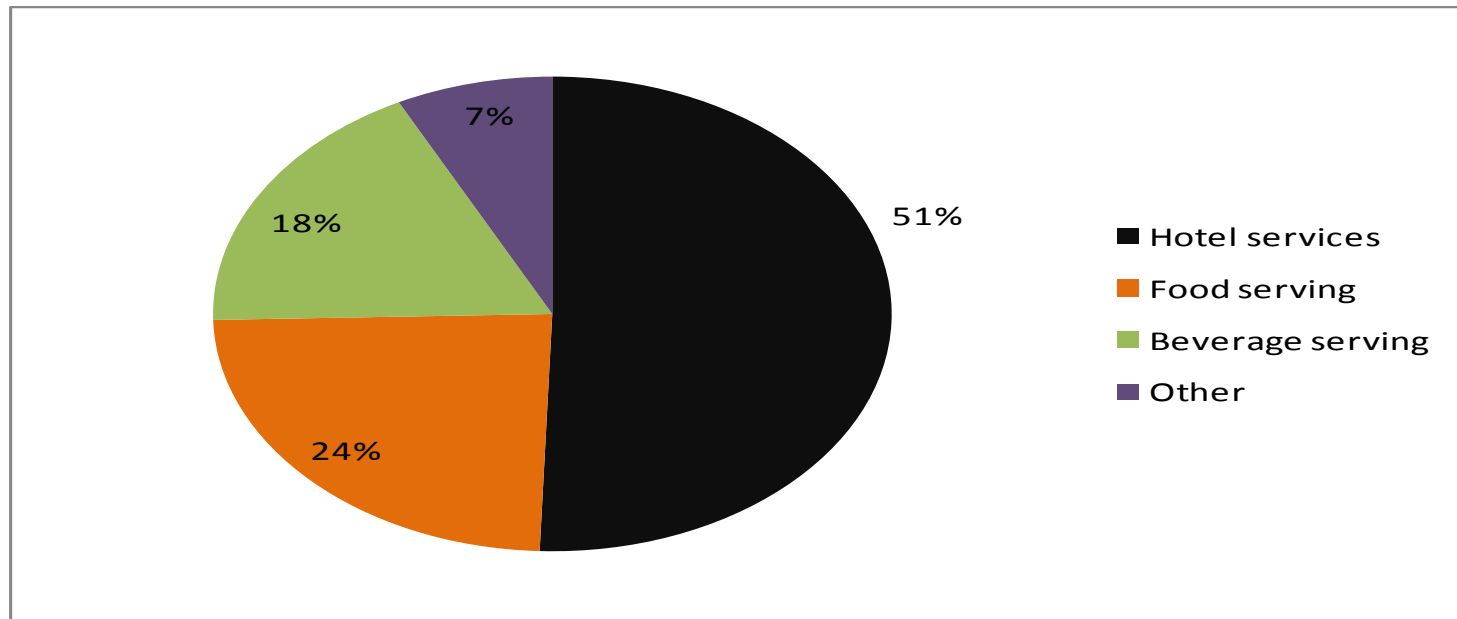
- Tourism statistics (e.g. hotel bednights)



Turnover - issues

- Importance of product information

- **Distribution of total turnover in hotels in Ireland by service activity, 2007**





Turnover - issues

Measurement problems

- Sampling / register difficulties
 - small enterprises
 - low barriers to entry & exit

Data issues

- Seasonality
- High levels of casual/part-time work
 - => challenge to compile productivity measures



Turnover - recommendations

Category	Data Source	Level of Detail Collected	Frequency
Best	Survey/Census	Industry turnover <u>and</u> product	Annual & sub-annual industry data
			Annual product data
Good	Survey/Census and Administrative (tax data, industry association data etc.,)	Industry detail <u>only</u>	Annual
Minimum	Administrative (tax data, industry association data etc.,) Tourism statistics (e.g. Hotel bednights)	Industry detail <u>only</u>	Annual



Central Statistics Office Ireland

Price statistics – SPPI producers

Accommodation



Food & Beverages



Why so few SPPIs?

Most output goes to household consumption => CPI

No demand from users

Resource constraints

No EU legislation



Price statistics

Sources

- Dedicated SPPI survey
- CPI
- Tourism statistics



Or combinations of

Target coverage

- B2B or B2ALL

Sources of weights

- Input-Output
- Industry surveys
- Tourism statistics



Price Statistics

Pricing methods

Accommodation

Multiple sales channels

(e.g. direct, internet, travel agents etc.)

Fluctuating prices



Average room rate 

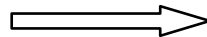
Bundled products

Mixed room type

Reference dates

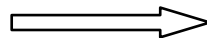
Food & beverage

Restaurants & food services



Repeat service pricing

Event catering



Contract pricing

Price Statistics – key issue


Use of CPI

- Need to adjust to basic prices (i.e. excl VAT etc.)



- Similar price changes for business and private consumers?
- Complement with additional data

Advantages

- National Accounts ‘A’ method for deflation of output if  satisfied
- Cost effective
- Minimises respondent burden



Price statistics - recommendations

Category	Data Source	Quality & accuracy	Cost
Best	SPPI Inquiry	Very good	High
	CPI adjusted to basic prices	Very good if conditions met Complementary data required	Low
Good	CPI	Adequate	Low
Minimum	Tourism statistics Accommodation : average room rate	Product bundling and issues B2B - B2C issues may reduce quality	Low



Summary

Classifications

- Harmonised but level of detail varies

Turnover / Output

- Good annual industry data
- Product & short-term industry not so good

Price

- Low availability of SPPI
- Use of CPI with caution