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**LINKS BETWEEN TOURISM CLASSIFICATIONS AND THE CPC:  
THE TOURIST'S BASKET**

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## **Links between Tourism classifications and the CPC: the tourist's basket**

The work of analysing classifications related to the tourism sector falls within the more general framework of the project currently promoted by Eurostat/D4 referring to international nomenclatures of services.

Starting from the study of the criteria of definitions adopted by the international institutions (UN and Eurostat) in the determination of the nomenclatures of economic activities, of product and of functions, and from an in-depth analysis of the nature and consistence of the links between them (see enclosure 1), the project aims at the definition/determination of a **metaclassification** capable to ensuring the comparability in time and in space between the several nomenclatures in existence and their flexibility in relation to possible needs of their further desegregation/aggregation or change.

The project is limited to the classification section related to the service sector and takes into consideration classifications of economic activities (who produces), of products (what is produced) and of functions (why is it consumed)<sup>1</sup>

Within the scope of this project, the study of the **system of tourism** has taken the shape of several steps that have enabled increasingly in-depth analyses to be carried out.

The first step consisted in identifying the links existing between SICTA<sup>2</sup> and CPA using the links already existing between NACE Rev. 1, ISIC and SICTA on the one side and NACE Rev. 1 and CPA on the other. A first identification of products linked with tourist activities was thus obtained.

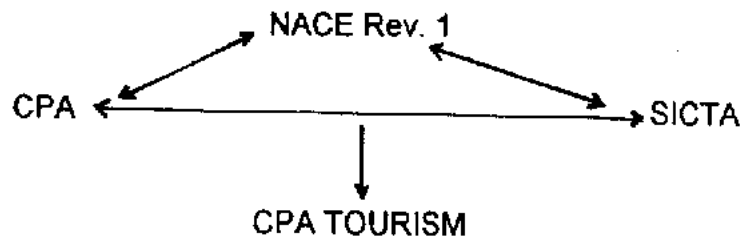
Subsequently, using this step as a starting point, the actual links existing between the two classifications, CPA and SICTA, were subjected to further verification and an analysis was made of their degree of comparability by level of aggregation. In the attempt to solve equivocal cases, it became necessary to introduce suggestions as to possible changes in CPA, suggestions that would enable a better response to be made to survey

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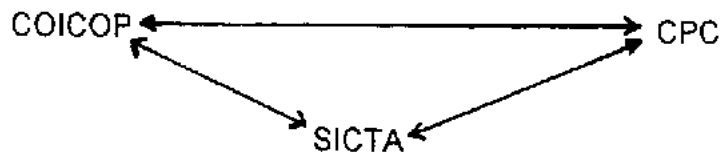
<sup>1</sup> For further information please see Martini M. "Definition and classification of services".

<sup>2</sup> System of International Classification of Tourism Activities

needs in the tourist sector. The main result of the analysis was a first attempt at the classification of products of tourist activity: CPA TOURISM<sup>3</sup>



A comparative analysis was carried out in a similar manner between the classification of CPC products and the COICOP classification of functions (Classification of individual Consumption by Purpose, formerly known as the CHGS and as used in System of National Accounts 1993 - Annex V, Part 1, H), with reference to tourist activities, SICTA<sup>4</sup>



In particular, the CPC ↔ COICOP analysis has made it possible to identify what products are purchased by the individual functions of expense of the family, the family's basket. The products purchased by the tourist by function of expense were then identified by including in the analysis the thoughts on SICTA, thus obtaining a sub-system that we can define as *the tourist's basket*.

In essence, by establishing logical links between these three classifications, *the tourism system* is analysed from three different viewpoints and it is thus possible to define the economic activity of tourism to the fullest extent:

- what does the tourist do;
- what does he buy;

<sup>3</sup> For greater details please see the paper by Bertoletti M. "Proposal for a classification of products linked with tourism", that will be read to the Voorburg Group during the course of the meeting.

<sup>4</sup> For greater details please see the paper by Bertoletti M. "Links between COICOP and CPC and identification of the function of family expenses linked with tourism activities", that will be read to the Voorburg Group during the course of the meeting.

- who produces the goods for the tourist.

Ideally, in order to have such a general overview, it would be necessary for the links between the important classifications to be as simple and direct as possible. It would thus be of great help to carry out an in-depth investigation on such links and to determine the quantity of changes necessary to ensure the link between the three above mentioned classifications.

In this respect, as SICTA is indeed built up with specific attention to the activity of tourism, it is CPC and COICOP that should, if necessary, be adapted to this point of view and it should thus be **the task of the tourism statistician to highlight these requests for the adjustment of existing nomenclatures to the classification specialists.**

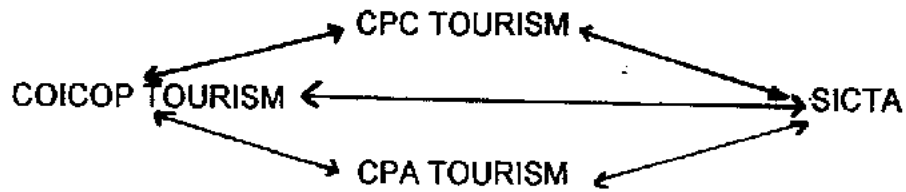
The extent of the changes necessary for adjusting CPC to the tourism sector could be assessed, as a first approximation, by selecting some examples of desegregation that have been introduced in CPA to obtain CPA TOURISM, checking to see whether there is a real need for the same desegregation for the CPC. A first idea would thus be available for assessing by how much a possible CPC TOURISM would differ from the CPC.

To conclude these preliminary thoughts it is possible even at this early stage to identify some research paths so as to define *the tourist's basket* even more carefully.

With reference to the links connected with CPA, it could be useful to study comparability between COICOP and CPA TOURISM and to check the opportunity of an analysis of the link between a possible COICOP TOURISM and CPA TOURISM. On the other hand, since the classification used by Eurostat for its survey of prices and consumption by families is the PROCOME, it would be interesting to carry out an analysis of the links existing between the latter and CPA TOURISM.

With reference to the links connected with CPC, it could be useful to investigate the comparability between COICOP and CPC TOURISM and to check the opportunity of an analysis of the link between a COICOP TOURISM and CPC TOURISM.

It would then be possible, from an intersection of these two paths, to obtain



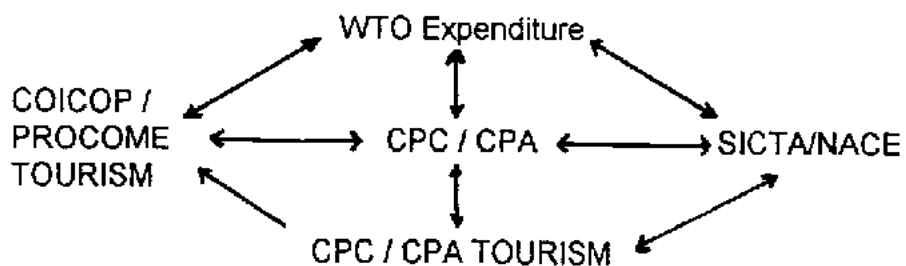
To complete the research it has to take into consideration the World Tourism Organisation recommendation to use an **expenditure breakdown by items**.

The breakdown broadest level is divided into:

- 1) Package travel, package holidays and package tour,
- 2) Accommodation,
- 3) Food and drink,
- 4) Transport,
- 5) Recreation, culture and sporting activities,
- 6) Shopping,
- 7) Other.

In his document prepared for WTO Stan Fleetwood <sup>5</sup> provides discussion and explanation of what should be included in each of these categories. A detailed classification with a number of levels of detail is proposed in appendix A, section 6 of Stan Fleetwood's paper (copy is given in annex 2).

Different paths of comparison should then be established to obtain an **integrated reading of the tourism phenomenon according to the different existing classifications:**

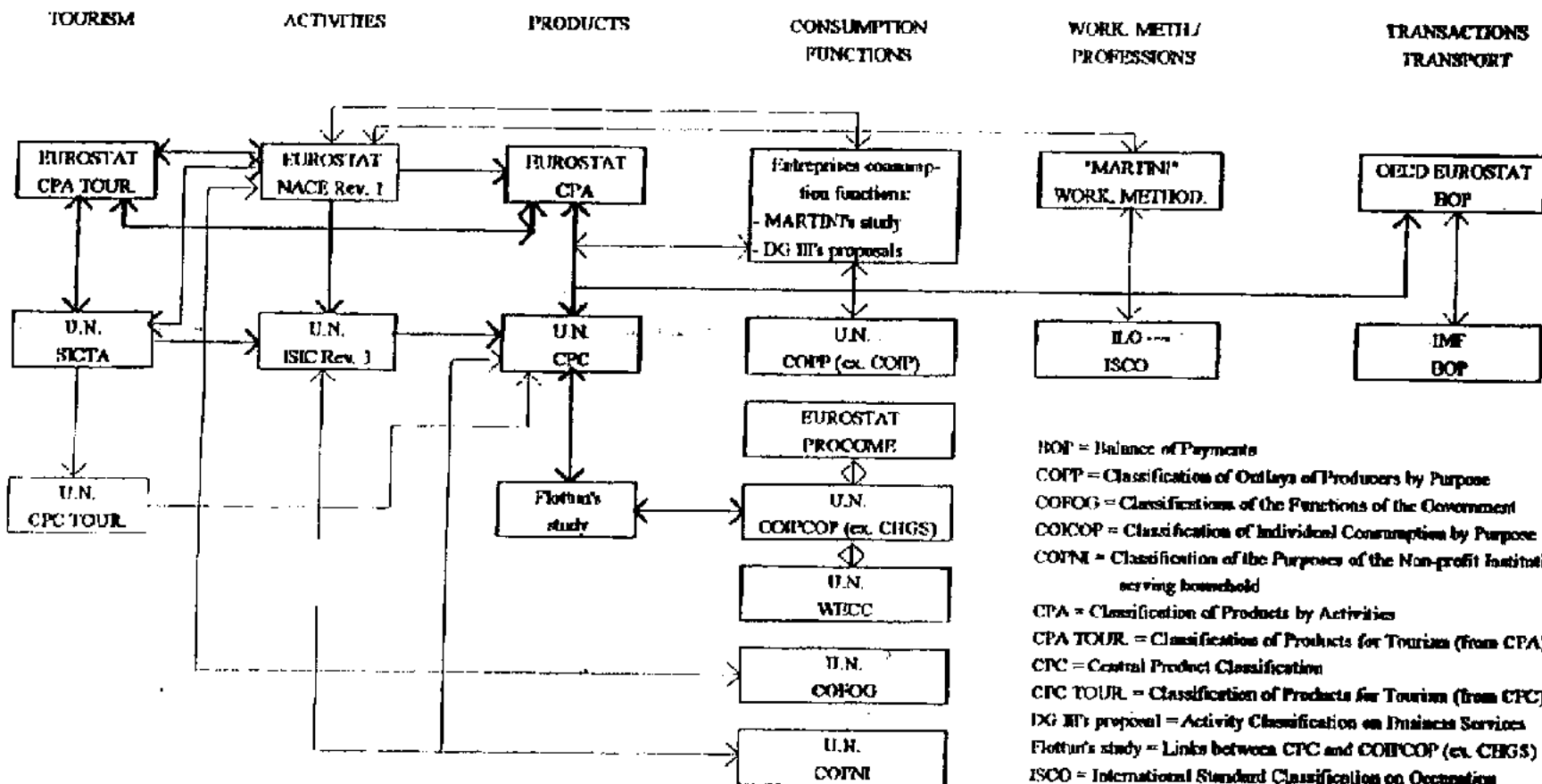


<sup>5</sup> Stan Fleetwood, assistant director Transport, Tourism and Energy Statistics, Australian Bureau of Statistics  
*"Collection of tourism expenditure statistics: a technical manual"*

As has already been seen earlier, any phenomenon in which tourism activities are detailed, should be classified by a combination of the three classifications of expense, product and activity. In other words, each classification provides one of the three co-ordinates that, only if they are jointly considered, can identify to the fullest extent a specific tourism phenomenon of any economic importance.

**A wise steps approach of linkage of classifications should then be followed in order to revise them, whenever is possible, to insure a better co-ordination of the classifications around the CPC.**

**This approach will place the CPC at the centre of a multi-dimensional system of inter linkages between the Production and Tourism Statistics as it is recommended by the UN.**



BOP = Balance of Payments

COIP = Classification of Outlays of Producers by Purpose

COFOG = Classification of the Functions of the Government

COICOP = Classification of Individual Consumption by Purpose

COFNI = Classification of the Purposes of the Non-profit Institutions  
serving household

CPA = Classification of Products by Activities

CPA TOUR = Classification of Products for Tourism (from CPA)

CPC = Central Product Classification

CPC TOUR = Classification of Products for Tourism (from CPC)

DG III's proposal = Activity Classification on Business Services

Flothan's study = Links between CPC and COICOP (ex. CHGS)

ISCO = International Standard Classification on Occupation

ISIC REV. 3 = International Standard Industrial Classification

"Martini's study" = Classification of Functions for Services

"Martini work. Method." = Classification of Working Methods

NACE Rev. 1 = General Industrial Classification of Economic Activities

PROCOME = Nomenclature of Household consumption and other expenditures

SICTA = Standard International Classification of Tourism Activities

WIECC = The World Expenditure Category Classification

→ Done

- - - - -> To be done

**Appendix A - GLOSSARY AND CLASSIFICATIONS**

Classification of Tourism Expenditure by Item

293. Data on tourism expenditures should be collected and presented by at least the seven primary groups (one-digit level) listed below. Secondary groups (two-digit level), tertiary groups (three-digit level) and unit groups (four-digit level) may be used if more detail is required.

1. Package travel, package holidays and package tours
2. Accommodation
  - 2.1. Collective tourism accommodation
    - 2.1.1 Hotels and similar accommodation
      - 2.1.1.1 Hotels
      - 2.1.1.2 Similar accommodation
    - 2.1.2 Specialized accommodation
      - 2.1.2.1 Health facilities
      - 2.1.2.2 Work and holiday camps
      - 2.1.2.3 Public means of transport
      - 2.1.2.4 Conference centres
    - 2.1.3 Other collective accommodation
      - 2.1.3.1 Holiday dwellings
      - 2.1.3.2 Tourist campsites
      - 2.1.3.3 Other collective accommodation
  - 2.2 Private tourism accommodation
    - 2.2.1 Private tourism accommodation
      - 2.2.1.1 Owned dwellings
      - 2.2.1.2 Rented rooms in family homes
      - 2.2.1.3 Dwellings rented from private individuals/  
professional agencies
      - 2.2.1.4 Accommodations provided without charge  
by friends or relatives
      - 2.2.1.5 Other private accommodation
3. Food and drink
  - 3.1 Prepared food consumed on premises
  - 3.2 Beverages consumed on premises
  - 3.3 Food and beverages for preparation and/or consumption  
elsewhere
4. Transport
  - 4.1 Air
    - 4.1.1 Scheduled flights
    - 4.1.2 Non-scheduled flights
    - 4.1.3 Other air services



- 4.2 Waterway
    - 4.2.1 Passenger lines and ferries
    - 4.2.2 Cruise
    - 4.2.3 Other waterway transport
  - 4.3 Land
    - 4.3.1 Railway transport
    - 4.3.2 Motorcoach or bus and other public road transport
    - 4.3.3 Private vehicle (with capacity for up to eight persons) transport
      - 4.3.3.1 Gasoline and oil
      - 4.3.3.2 Repair services
      - 4.3.3.3 Parking fees, tolls, fines
      - 4.3.3.4 Other
    - 4.3.4 Vehicle rental
    - 4.3.5 Other means of land transport
  - 4.4 Other transport items
- 5. Recreation, culture and sporting activities
    - 5.1 Recreation and sporting activities
    - 5.2 Cultural activities
    - 5.3 Entertainment
- 6. Shopping
    - 6.1 Souvenirs
    - 6.2 Duty free goods
    - 6.3 Clothing and footwear
    - 6.4 Luggage
    - 6.5 Tobacco products
    - 6.6 Personal care products
    - 6.7 Other goods
- 7. Other
    - 7.1 Financial services
    - 7.1 Travel items/charges not elsewhere classified
    - 7.3 Health/medical services
    - 7.4 Education/training services
    - 7.5 Other services not elsewhere classified