



November 2019

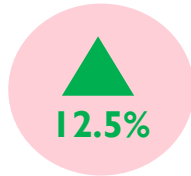
Bermuda's Tourism Industry Directly Contributed 5.3% to GDP

TDGVA

Annual percentage change



\$386 million



Top 3 Industry Contributors to TDGVA



57%

Accommodation



16%

Transportation



11%

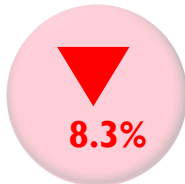
Retail Trade

Tourism Direct Gross Value Added (TDGVA) is defined as part of the gross value added generated in the economy by tourism industries and other industries directly serving visitors in their supply of goods and services in response to internal tourism consumption.

Tourism Expenditure

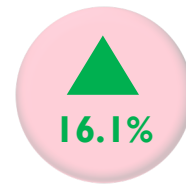
Resident Spending on Foreign Travel

\$332 million



Visitor Spending

\$544 million



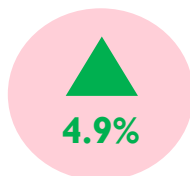
Direct Employment In The Tourism Industry Increased To 3,204 Jobs

Wages

Annual percentage change



\$279 million



Top 3 Contributors to Employment in Tourism



52.8% Accommodation



12.7% Food & Beverage

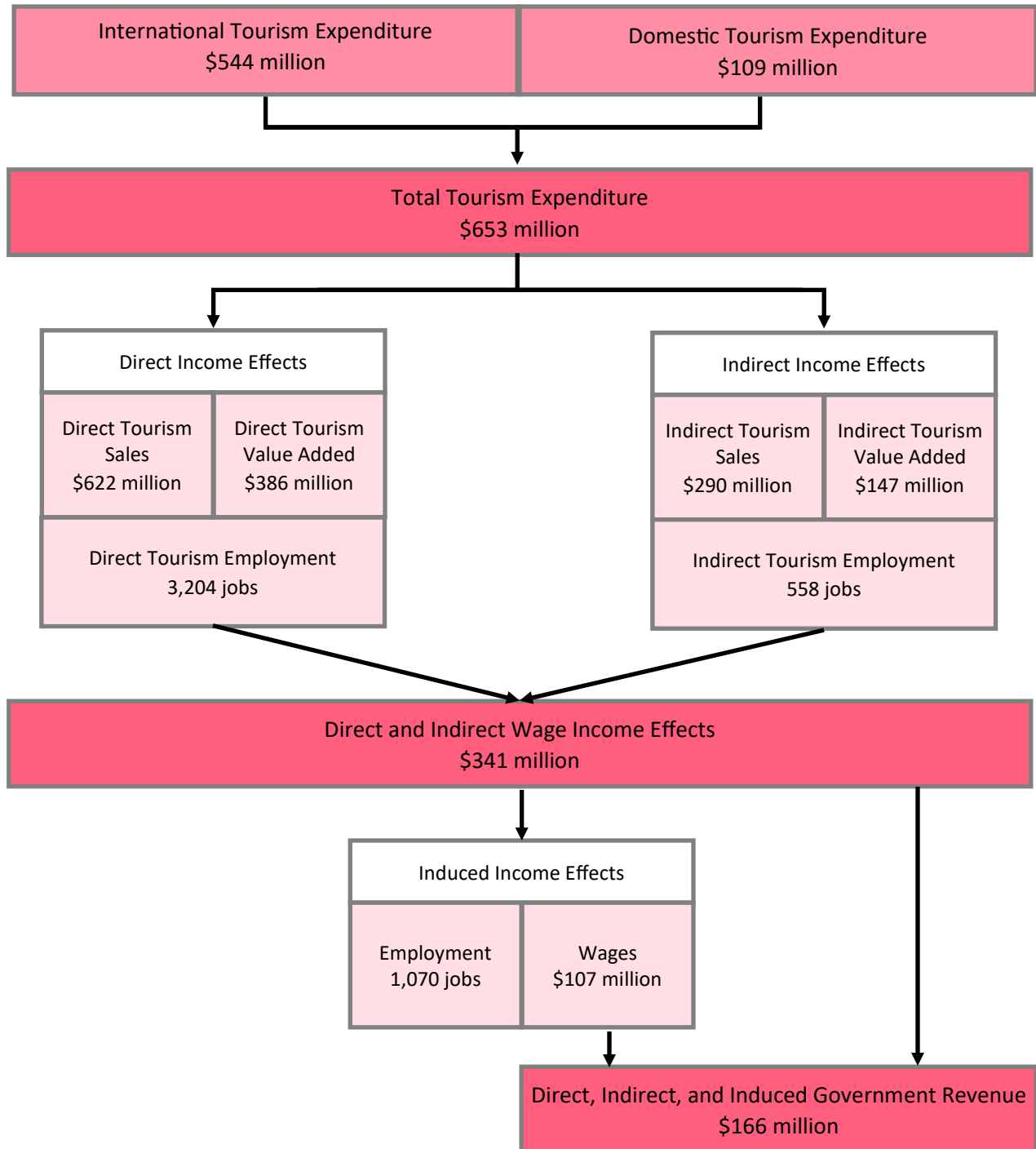


12.3% Retail Trade

TOURISM SATELLITE ACCOUNT REPORT—2018

Figure 1 traces the flows of tourism expenditure through the Bermuda economy for the year ended 2018. It shows the value tourism adds to the economy, both directly and indirectly, in terms of sales, value added, employment, wages and government revenue.

Figure 1. : Flows of Tourism Expenditure through the Bermuda Economy



TOURISM SATELLITE ACCOUNT REPORT—2018

Table 1 shows the composition and contribution of tourism direct gross value added to Bermuda's GDP and the income components of the value added.

In 2018, tourism's direct contribution to Bermuda's GDP grew to \$386 million, up 12.5 per cent from 2017. As a per cent of total GDP in current prices in 2018, the tourism industry directly contributed 5.3 per cent. By industry, the largest nominal increases in value added were recorded for passenger transport services, accommodation services, and retail trade.

Among the income components of the value added, the gross operating surplus of the tourism industry more than doubled to \$51 million in 2018. This growth primarily reflected an increase in the value of the services produced which exceeded the rise in costs to produce these services. Compensation of employees directly employed in tourism also increased by 4.9 per cent to \$279 million in 2018.

Table 1: Tourism Direct Gross Value Added

Tourism Industries Value Added	2017 (R)	2018
	\$ Millions	\$ Millions
Accommodation Services	204	220
Food and Beverage Serving Services	29	24
Passenger Transport Services	41	62
Travel Agency, Tour Operator and Tourist Guide Services	6	8
Culture, Sports and Other Recreation Services	29	28
Retail Trade	35	43
Total Tourism Direct Gross Value Added (TDGVA)	343	386
of which:		
Compensation of Employees	266	279
Other Taxes less Subsidies on Production	13	24
Depreciation	39	31
Gross Operating Surplus	25	51
Note:		
Total Bermuda GDP in Current Prices	7,142	7,263
TDGVA as a per cent of Total Bermuda GDP in Current Prices	4.8%	5.3%

(R) - Revised

Concepts and Definitions

Direct tourism output comprises all domestically produced goods and services purchased by travellers (e.g. accommodation and air transportation).

Gross Domestic Product (GDP) in current prices is the market value of all final goods and services produced in an economy during a period of time.

Indirect tourism output comprises all output required to support the production of direct tourism output (e.g. toiletries for hotel guests and local entertainment for hotels).

Induced tourism output comprises expenditure by employees from wages paid by companies in direct contact with tourists. Also factored is the consumption of companies that have benefited directly or indirectly from initial expenditure in the tourism sector. An example of an induced effect of tourism is the purchase of consumer goods such as food, clothing and electronic goods by people employed in the hotel industry.

Internal Tourism Consumption is the tourism consumption of both resident and non-resident visitors within the economy of reference. It is the sum of domestic tourism consumption and inbound tourism consumption.

Tourism characteristic products and activities refer to (a) products, mainly (though not exclusively) those belonging to tourism expenditure, and (b) productive activities that are the basis for defining tourism industries.

Tourism establishment is any establishment for which at least 25 per cent of their goods or services are bought by tourists.

Tourist expenditure is the amount paid for the acquisition of consumption goods and services, as well as valuables, for own use or to give away, for and during tourism trips. It includes expenditure by visitors themselves as well as expenses that are paid for or reimbursed by others (e.g. business travel expenditure paid/reimbursed by employers). Tourism expenditure does not include other types of payments that visitors might make that do not correspond to the acquisition of goods or services, such as payment of taxes, interest, purchase of financial and non-financial assets, etc.

Tourism Satellite Account is the conceptual framework for a comprehensive reconciliation of tourism data related with supply and demand. A tourism industry represents the grouping of those establishments whose main activity is the same tourism characteristic activity. The effects of a tourism industry's activity are measured in three ways: direct, indirect and induced effects. The overall economic impacts of tourism on the economy are a combination of these effects and can be established for different types of economic variables such as output, employment and wages.

Visitor is a traveller taking a trip to a main destination outside his/her usual environment for less than a year and 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.

Published by the Government of Bermuda
November 2019

Department of Statistics
Cedarpark Centre
48 Cedar Avenue
Hamilton HM 11
Bermuda

P.O. Box HM 3015
Hamilton HMMX
Bermuda

Tel: (441) 297-7761, Fax: (441) 295-8390
Email: statistics@gov.bm
Webpage: www.gov.bm/department/statistics



GOVERNMENT OF BERMUDA
Department of Statistics