



Tourism Satellite Account (TSA) Report

FOR THE YEAR ENDED 2013

SUMMARY OF TOURISM'S CONTRIBUTION

The Tourism Satellite Account defines the economic activity in the tourism industry and measures its contribution to GDP and employment. Total tourism-related value added decreased to \$609 million in 2013 (see bar chart below), down 1.0 per cent from the \$615 million measured in 2012. The total value added comprised \$289 million in direct gross value added and \$320 million in indirect gross value added. Direct Tourism output (see Box I) amounted to \$489 million in 2013. This represented 46.6 per cent of total tourism output. For every dollar of direct tourism output generated, another \$1.15 of indirect tourism output was produced.

The tourism-related employment level fell by 460 workers to 5,224 jobs in 2013. This total included 3,553 jobs directly related to tourism and 1,671 jobs from indirect tourism. This means for every 10 direct tourism jobs generated in 2013 an additional 4.7 jobs were indirectly created. The level of wages received from tourism activities reached \$415 million, falling \$18 million below the level in 2012. Of this total, 57 per cent or \$236 million in wages was earned from direct tourism (see Table 1).

2013 HIGHLIGHTS:

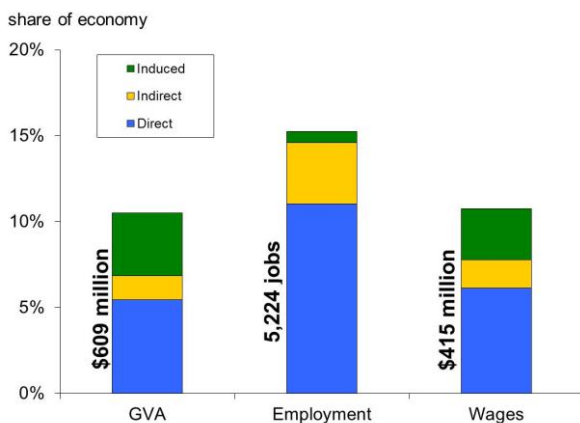
- Tourism contributed \$289.4 million, or 5.2 per cent to Bermuda's GDP.
- Employment directly related to tourism declined 10.1 per cent.
- Visitors spent \$412 million in Bermuda.
- Bermuda residents spent \$322 million on foreign travel.
- Government spent \$30 million to provide tourism services.
- Tourism contributed \$208 million or 23.3 per cent to the 2013 Current Account Revenue.

BOX I

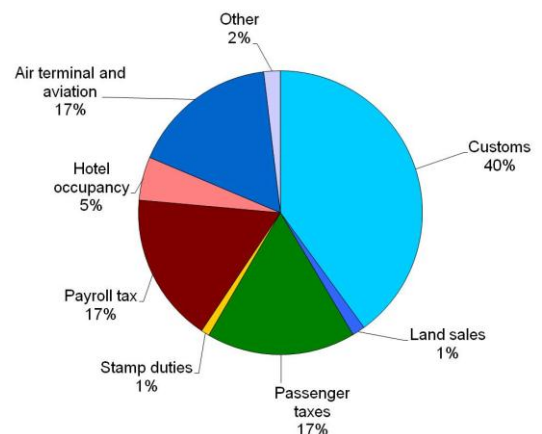
Direct tourism output comprises all domestically produced goods and services purchased by travellers (for example, accommodation and air transportation).

Indirect tourism output comprises all output required to support the production of direct tourism output (for example, toiletries for hotel guest and local entertainment for hotels).

2013 Total Tourism Impact



2013 Tourism Contribution to Government Revenue



THE IMPACT OF TOURISM IN BERMUDA

DEFINING CONCEPTS

WHAT ARE TOURISM ESTABLISHMENTS ?

These are establishments for which at least 25 percent of their goods and services are bought by tourists. Examples include hotels, travel agencies, restaurants and passenger transport businesses.

WHAT IS TOURISM VALUE ADDED ?

Tourism Value Added is the value of goods and services produced by tourism establishments less the cost of producing these goods and services.

Tourism contributed \$289.4 million to GDP

In 2013, gross value added produced from activities of tourism-related establishments such as hotels, restaurants, travel agencies and passenger transport businesses, totalled \$667 million. Of this total, gross value added derived from direct tourist spending accounted for 43.3 per cent or \$289 million. The level of gross value added received directly from tourists was virtually unchanged from 2012. In 2013, the tourism industry's contribution to total GDP stood at 5.2 per cent, which equalled the previous year's level.

Hotels and other guest properties in Bermuda contributed \$124 million towards tourism gross value added during 2013. Approximately 75 per cent of total revenue for hotels was earned directly from tourists. This represented a one per cent decrease from the level reported in 2012. Additionally, the combined value added contribution from transport and restaurant services represented 21.1 per cent or \$61 million of total tourism gross value added.

Lower employment in the tourism industry

The tourism industry generated 3,553 jobs in 2013, a 10.1 per cent decline when compared to 2012 (see Table 2). These jobs accounted for approximately 10.4 per cent of the total work force. The industry remained the third largest employer of Bermudian workers in the labour market following the Public Administration and Wholesale & Retail Trade sectors. Employment of Bermudian workers represented 74.6 per cent or 2,651 workers engaged in tourism industry employment, a 9.2 per cent decline when compared to 2012.

Visitors spent \$412 million purchasing tourism-related products

In 2013, a total of 579,808 visitors to Bermuda translated into \$412 million spent on goods and services within the local economy. The total level of spending by air, yacht and cruise visitors (including crew members), fell by \$3 million when compared to spending levels recorded in 2012. Visitor outlays on accommodation services decreased by \$8 million. Spending on passenger transport services such as airlines fell \$3 million, while food & beverage expenditure declined \$2 million. In contrast, expenditure on recreation and other entertainment services increased \$2 million.

Resident spending on foreign travel reached \$322 million

Bermuda residents spent an estimated \$322 million on foreign travel in 2013, \$5 million less than in 2012. Expenditure on transportation services such as the cost of airline tickets, cruise fares and taxi services was the largest component of this category, reaching \$121 million. This level fell 4.4 per cent below the previous year.

Government expenditure on tourism totalled \$30 million

The Bermuda Government spent \$30 million in current expenditure to facilitate the operation of the tourism industry. Spending on tourism promotion, marketing and related professional services was 18.7 per cent or \$4 million lower than in 2012. This expenditure accounted for 57.6 per cent of total government outlays on tourism in 2013. Among other tourism-related spending categories, expenditure on contributions to exhibitions and hospitality increased.

BERMUDA TOURISM SATELLITE ACCOUNT REPORT

Table 1 : Direct Tourism GDP 2012 and 2013

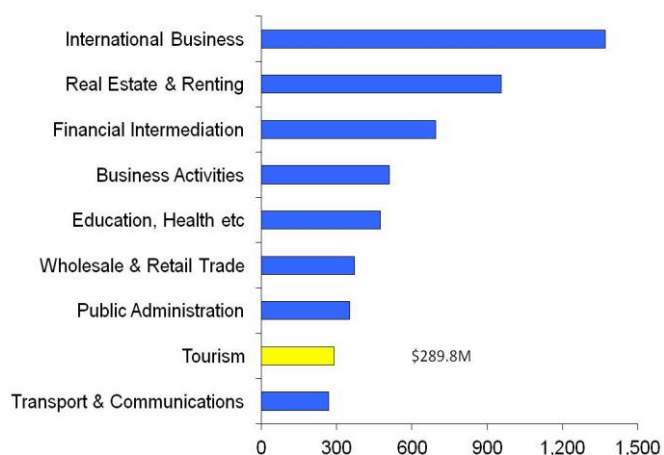
Net Valuation

Products	2012 (R) Total Domestic Supply (at Purchasers Price)	2013 Total Domestic Supply (at Purchasers Price)
	Output	Output
A. Consumption Products	494,498,512	489,016,718
A.1 Tourism characteristic Products	494,498,512	489,016,718
1 - Accommodation Services	248,911,205	238,687,335
2 - Food and Beverage Serving Services	103,551,683	101,424,743
3 - Passenger Transport Services	62,634,584	62,158,028
4 - Travel Agency, tour operator and Tourist Guide Services	10,116,167	10,555,563
5 - Cultural Services	6,535,707	6,154,753
6 - Recreation and Other Entertainment Services	22,751,230	24,813,943
7 - Miscellaneous Tourism Services	-	-
8 - Retail Trade (tourism characteristic goods)	39,997,935	45,222,352
Tourism social transfer in kind	-	-
Total Direct Tourism Output	494,498,512	489,016,718
Total Intermediate Consumption (at purchasers prices)	204,680,968	199,637,162
Total Direct Gross Value Added	289,817,544	289,379,556
Of Which:		
Compensation of Employees	242,739,001	235,992,727
Other Taxes less Subsidies on Production	5,077,901	8,462,226
Depreciation	26,978,782	29,972,837
Gross Operating Surplus	13,130,791	14,951,766
Intermediate Consumption as a per cent of Output	71%	69%
Memo:		
Total Bermuda GDP in current prices	5,537,537,000	5,573,710,000
Tourism Value Added as a per cent of Total Bermuda GDP	5.2%	5.2%

Note: Totals may not add due to rounding.

(R) - Revised

2012 Top Sectors - GDP (\$M)



2013 Top Sectors - GDP (\$M)



BERMUDA TOURISM SATELLITE ACCOUNT REPORT

Table 2 : Employment directly related to Tourism, 2012 and 2013

	Bermudian	Expatriate	Total Number of Jobs 2012	Bermudian	Expatriate	Total Number of Jobs 2013
Hotels and Similar	1,447	648	2,096	1,209	542	1,752
Restaurants and Similar	249	249	498	213	218	431
Retail Trade	254	63	316	283	68	352
Road Passenger Transport	254	8	262	247	8	254
Water Passenger Transport	164	5	169	157	6	163
Air Passenger Transport	110	5	115	131	7	138
Travel agents and tour operators	125	7	132	114	8	122
Department of Tourism	43	6	49	43	6	49
Marine & Ports	127	19	146	115	17	132
Airport Operations	39	6	45	39	6	45
Transport Control Department	23	4	27	20	3	23
Civil Aviation	25	4	29	25	4	29
Maritime Administration	8	1	9	7	1	8
Sport and Recreation	52	8	60	53	8	61
Total Direct Tourism Employment	2,920	1,032	3,952	2,656	902	3,558
Share of Jobs / Work force			11.1%			10.4%

2013 Top Sectors - Total Employment



2013 Top Sectors - Bermudian Employment

