Introduction of the Result and Compilation of Jiangsu Tourism Satellite Account （JSTSA-2002）

The study of JSTSA project was made by Jiangsu Provincial Tourism Bureau and Jiangsu Bureau of Statistics. The study was based on the Tourism Satellite Account: Recommended Methodological Framework（TSA：RMF）and the requirement of the regional National Account. Combining with the character of the tourism, utilizing the basic data of the input-output table format of 2002, lasting three years (from July 2001 to September 2004)，the group finally established the JSTSA with a positive result.

1. The main result of JSTSA

1.1 Aggregate Indicators

1.1.1 Regional tourism consumption

In 2002, the total regional tourism consumption of Jiangsu Province (tourism final consumption expenditure in cash and tourism social transfers in kind) was 94.997 billion *yuan*,

1.1.2 Tourism Value Added

In 2002, the tourism value added of Jiangsu Province was 44.663 billion yuan, making up 4.2% of the GDP of Jiangsu Province; and it accounted for 11.3% of the total value added of service industries.

Table 1: Comparisons between Jiangsu tourism value and the value added of other industries of Jiangsu Province in 2002 and their ranking

Industries	Value Added (Unit: 100 million yuan)	Ranking
Wholesale and retail trade, food and beverage industry	1066.7	1
Transportation, storage and postal and telecom communication industry	717.76	2
Financial, insurance industry	487.57	3
Real estate industry	456.56	4
Tourism industry	446.63	5
Social service industry	353.52	6

Education, literature and arts, broadcasting, film and TV industry	298.75	7
Health, sports and social welfare industry	122.16	8
Agriculture, forestry, animal husbandry, side-line production and fishery industry	44.83	9
Scientific research and comprehensive technology service	41.76	10
Geological survey, water conservancy management industry	29.14	11

According to Table 1, Jiangsu Tourism value added in 2002 ranked the fifth after wholesale and retail trade industry, Transportation and postal and telecom communication industry, Financial and Insurance industry and Real estate industry.

1.1.3 Tourism production tax net amount and its contribution to financial revenue

In 2002, the tourism production tax net amount of Jiangsu Province was 2.826 billion yuan, making a contribution of 1.9% to the annual financial revenue; in 2002, the production tax net amount of service industries of Jiangsu Province was 36.176 billion yuan, the tourism production tax net amount accounting for 7.81% of it.

1.1.4 Employment in tourism industries

The employment in Jiangsu tourism specific industries in 2002 was 1.0098 million persons; the total number of employment in tourism industries was 3.8069 million; the proportion of tourism employment in the total employment of Jiangsu Province was 8.54%

1.1.5 Tourism consumption and number of flow-in and flow-out visitors of Jiangsu Province

In 2002, the total amount of value from the flow-in tourists was 74.89 million yuan; and the total amount of value of the flow-out tourists 53.6190million yuan; the net flow-in amount was 20.9061 million yuan;

In 2002, the total number of the regional visitors flow-in was 74.5251 million and the flow-out was 53.619 million, and the net number of flow-in visitors was 20.9061 million （persons/times).

1.2 Data of composition

1.2.1 The composition of consumption

1.2.1.1 Composition of the total amount of tourism consumption

of Jiangsu Province

Table 2: Total amount of Jiangsu regional tourism consumption in 2002

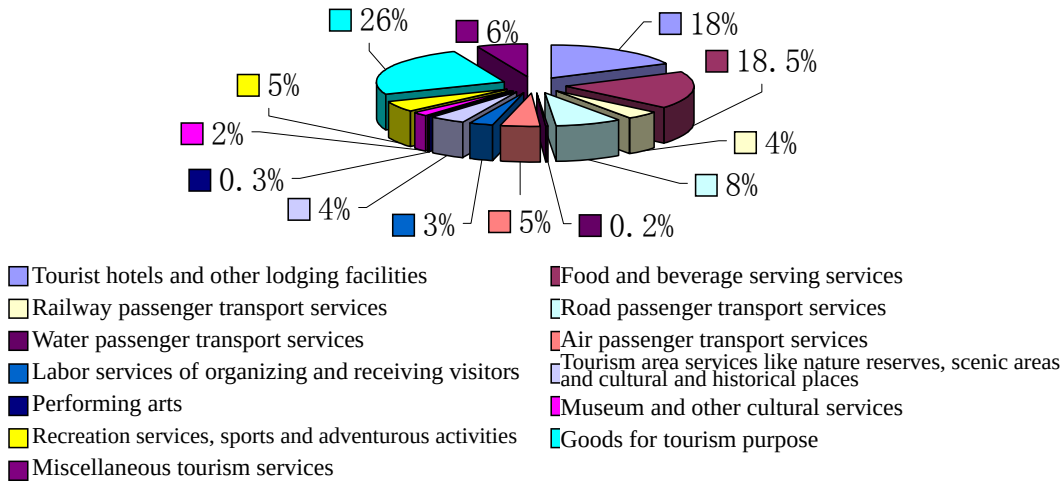
(unit： 100million yuan)

Non-Jiangsu tourists consumption in Jiangsu Province	Jiangsu Residents tourism consumption inside Jiangsu Province	Tourism social transfer in kind	Total
748.9	199.6	1.47	949.97

According to Table 2, the aggregate amount of regional tourism consumption of Jiangsu Province in 2002 was 94.997 billion yuan, of which the most part was the non-Jiangsu residents' tourism consumption inside Jiangsu Province, accounting for 78.93% of the total.

1.2.1.2 The composition of regional tourism consumption

Fig. 1 Product composition of total Jiangsu regional tourism consumption in 2002



From Fig. 1, we can see that the goods for tourism purpose made up the largest proportion of the total regional tourism consumption, accounting for 26%; next was food and beverage serving services, accounting for 18.5%; and the third was hotels and other lodging services, accounting for 18%.

1.2.2 Supply composition

1.2.2.1 Composition of tourism value added

Table 3: Contributions to tourism value added made by tourism characteristic and related industries and their ranking

Industries	Tourism Value Added (unit:1,0000yuan	Contributions to tourism value added (%)	Industrial ranking according to their tourism value added
Tourism characteristic industries			
1.Tourist hotels and other lodging facilities	932448.4	25.5	1
2. Second homes services on own account or for free	No statistics		
3.restaurants and similar	895209.8	24.5	2
4.Railway passenger transport industry and supporting activities	89573.4	2.5	10
5.Road passenger transport industry, urban public transportation and supporting	388421.2	10.6	3
6.Water passenger transport and supporting activities	272	0.01	11
7.Air passenger transport and supporting activities	159522.3	4.36	8
8.Vehicle rental	No statistics		
9.Travel agencies	215001.9	5.88	7
10.Enviromental resources industry	246079.2	6.73	5
11.Culture and Art Industry	134820.4	3.68	9
12.Entertaiment Industry	240690.0	6.58	6
Sub-total of tourism characteristic industries	3302038.7		
Tourism connected industries			
Wholesale and retail trade industry	353023.0	9.66	4
Tourism non-specific industries	811191.0		
Total	4466252.6		

From Table 3, we can see that tourist hotels and other lodging facilities, restaurants and similar facilities, passenger transport, urban public transportation and their supporting activities were the three industries that had made the largest contributions to the tourism value added.

1.2.2.2 Composition of tourism production tax net amount

Table 4: Contribution rates to tourism production tax net amount made by tourism characteristic and related industries and their ranking

Industries	Production tax net amount (10000yuan)	Contribution to production tax net amount by each industry (%)	Ranking
Tourism characteristic industries			
1.Tourist hotels and other lodging facilities	70727.9	32.75	1
2. Second homes services on own account or for free	No statistics		
3.Restaurants and similar	24899.4	11.53	3
4.Railway passenger transport and supporting activities	4915	2.28	10
5. Road Passenger transport, urban public transportation and supporting activies	37061.6	17.16	2
6. Water Passenger transport, and supporting activities	32	0.01	11
7.Air Passenger transport, and supporting activities	18809.7	8.7	4
8.Vehicle rental	No statistic		
9.Travel agencies	6097.2	2.82	9
10.Enviromental resources industry	12633.0	5.85	7
11.Cultue and art industry	13993.4	6.48	6
12.Entertaiment	18369.0	8.5	5
Sub-total of tourism Characteristic industries	207538.3		
Tourism connected industries			
Wholesale and retail trade industry	8456.5	3.92	8
Tourism non-specific industries	66568.3		
Total	282563.1	100	

From Table 4, we can see that the tourists hotels and other lodging facilities, the road passenger transport, urban public transportation and their supporting activities, and the restaurants and similar facilities

were the three important industries that made the largest contributions to tourism production tax net amount.

1.2.2.3 Composition of tourism business earnings

Table 5: Contributions to tourism business earnings made by tourism characteristic and related industries and their ranking

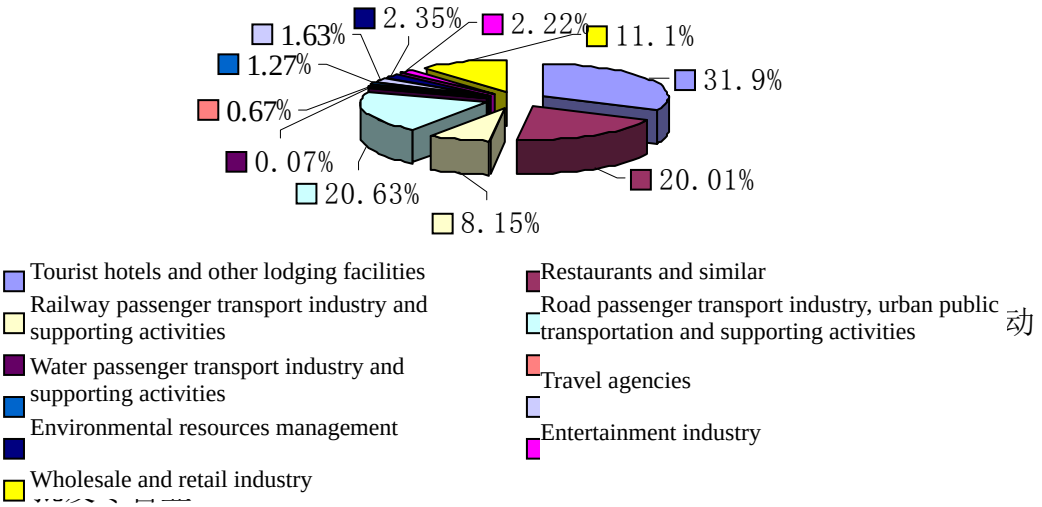
Industries	Tourism business earnings (10000 yuan)	Contribution to tourism business earnings by each industry (%）	Ranking
Tourism characteristic industries			
1.Tourist hotels and other lodging facilities	320949.3	47.73	1
2. Second homes services on own account or for free	No statistics		
3.Restaurants and similar	108287.5	16.1	2
4.Railway passenger transport and supporting activities	11006.8	1.64	8
5. Road Passenger transport, urban public transportation and supporting activities	72901.8	10.84	3
6. Water Passenger transport, and supporting activities	70	0.01	9
7.Air Passenger transport, and supporting activities	-32591.2		11
8.Vehicle rental	No statistics		
9.Travel agencies	43866.7	6.52	6
10.Enviromental resources industry	17290.0	2.57	7
11.Cultue and art industry	0	0	10
12.Entertaiment	51276.4	7.63	4
Sub-total of tourism Characteristic industries	593057.2		
Tourism connected industries			
Wholesale and retail trade industry	46835.3	6.96	5
Tourism non-specific industries	108159.2		
Total	748051.7		

From Table 5, we can see that tourist hotels and other lodging

facilities, restaurants and similar, Road passenger transport industry and urban public transportation and supporting activities were the three important industries that made the largest contributions tourism business earnings; the tourist hotels and other lodging facilities made about half of the contributions to tourism business earnings.

1.2.2.4 Composition of tourism employment

Fig. 2 Contribution to tourism business earnings by each industry



From Fig. 2，we can see that of all the tourism characteristic and related industries, employment in tourist hotels and other lodging service made up the largest proportion of the total tourism transportation and supporting activities, and restaurants and similar facilities.

2. Compilation process of Jiangsu Tourism Satellite Account

Compilation of JSTSA can be roughly divided into the following stages:

2.1 Theoretical preparations (July 2001—June 2002)

2.1.1 Study of the document *Chinese System of National Accounts*（2002）and documents of SNA93 published by the United Nations; and comparative studies of *Chinese System of National Accounts* and that of foreign countries.

2.1.2 Referred to a great deal of data on TSA studies both at home and abroad for our reference, attended international conferences on

Tourism Satellite Account development, learned from the experience and study methods of TSA compilation of the developed countries and some regions in China.

2.2 Worked out the lists and tables of Jiangsu tourism characteristic products and tourism characteristic industries and the survey schemes.

2.2.1 Determined that the year 2002 would be the year of reference for JSTSA compilation.

2.2.2 Surveys and investigations were carried out preliminarily for the related governmental departments, such as: Jiangsu Bureau of Statistics, Jiangsu Department of Transportation, etc. Through visits and interviews, we obtained information on the industrial statistics.

2.2.3 We cross-checked national economic industrial classification standards GB/T 4754-1994 and GB/T4754-2002 and the industrial classifications of Jiangsu Input-output Table, based on which the industrial classification and product classifications were determined for JSTSA. We worked out the lists of characteristic products and characteristic industries of JSTSA.

2.2.4 We revised the table formats of JSTSA according to the realities of Jiangsu Province and that of China.

2.2.5 We assessed the availability of the existing data from both demand side and supply side.

2.3 Supplementary surveys (September 2003— June 2004)

Determined the list of JSTSA characteristic industries and supplementary survey schemes for Jiangsu residents' tourism consumption. Entrusted the professional units to carry out general surveys and typical survey by project working group.

Sep.2003—Dec.2003：we entrusted the Jiangsu Socioeconomic Investigation Team to carry out surveys on social hotels and private hotels, non-private entertainment enterprises, above-limit and below-limit full service restaurants, and tourism consumption of urban and rural residents of Jiangsu Province.

Nov.2003—Mar.2004：The project working group carried out general surveys on the star-class hotels, travel agencies and tourism scenic areas. Totally, the Project Working Group surveyed 380 star-class hotels, 270 travel agencies and 130 tourism scenic areas.

April 2004—June 2004: Typical surveys were carried out on the labor services earnings per person from receiving inbound and domestic tourists, and on the package tour expense components of international and domestic tourism package tours by travel agencies of Jiangsu Province; totally, 10 travel agencies were investigated.

April 2004—June 2004: Surveys were carried out on the vehicle rental enterprises of Jiangsu Province; totally, 6 enterprises were investigated.

April 2004—June 2004: Surveys were carried out on the second homes of Jiangsu residents. Many units such as Jiangning Real Estate Bureau, Nanjing Real Estate Association、Real Estate Company and Housing Mediation Company were investigated.

June 2004: Survey on tourism social transfers in kind was carried out. The project Working Group investigated the departments that have close relations with tourism consumption activities such as Department of Culture, Department of Construction and Department of Environmental Protection of Jiangsu Province. Funding and subsidiary data of natural scenic areas, museums, and cultural places were obtained.

2.4 The study result was finalized (July—September 2004)

Data processing, aggregating, working out study report and final evaluation of the project study results.

2.4.1 Aggregation, calculation, and evaluation of the data in all the table formats of JSTSA.

2.4.2 The study report was finalized.

2.4.3 Final evaluation meeting on the project study results was held jointly by China National Tourism Administration and National Bureau of Statistics.

3. Function of compilation of JSTSA

3.1 Scientific measurement. JSTSA reflects the scale and output level of Jiangsu Tourism from the combination of tourism demand and support scientifically. It also reflects the contribution to the National Accounts and finance.

3.2 Basis of policy making**. J**STSA provided the international universal and convictive data of Jiangsu tourism output, financial contributions and tourism employment. It makes the comparison

among all the industries easier and provides the basis for the government to make tourism industry policies and the investment of enterprises. Since 2005，the input of Jiangsu Province and the whole society increased 30% and 35% respectively, which was related to the accurate data provided by JSTSA.

3.3 Improvement statistics. TSTSA promoted the renovation of System of National account to consist with SNA93. It also promoted China's basic statistics work. For example, we can consider to survey items of domestic and abroad tourism consumption according to tourism characteristic products and related products；to investigate the situation of regional residents' consumption as the content of daily statistic surveys, In this way, we can obtain the situation of residents' consumption and etc.

3.4 Practical application**. J**STSA explores the list of tourism characteristic activities, tourism characteristic products and technical lines of compilation of JSTSA. This result has been used for the compilation of tourism satellite account in Zhejiang Province, Yunnan Province and Beijing municipality. It is also used in the related work of compilation of national tourism satellite account.

4. National Tourism Administration greatly promoted the compilation of JSTSA

4.1 Determined as the pilot in China**.** National Tourism Administration and National Bureau of Statistics determined to compile regional tourism satellite account. Jiangsu Province was authorized as the first pilot region to develop regional tourism satellite account by the National Tourism Administration through formal document

4.2 Meticulous guidance**. The** project study got the support and guidance from the National Tourism Administration. Discussions were held for difficult subject to clarify the solution. During the mid-term of the project study, the mid-term evaluation was held jointly by National Tourism Administration and National Bureau of Statistics，widely collected the comment of leaders and experts. When the project was finalized, the final evaluation was held jointly by National Tourism Administration and National Bureau of Statistics. This project explored the first theoretical system of provincial tourism satellite account, created the table formats and method of product data and

survey methods. This project filled up the vacancy of the research and application of the tourism satellite account which has breakthrough significance in the history of tourism statistical work in China.

4.3 Positive extending. After publication of JSTSA, China National Tourism Administration organized the project working group of Jiangsu Province to compile Guidance of compiling regional tourism satellite account to provide the guidance for other provinces to develop tourism satellite account. After this project, National Tourism Administration and Department of National Finance entrusted Jiangsu Province to develop the research of tourism fixed capital formation and the contributions to finance in 2006 and 2007. And now, these two research have achieved intermediate results, and the final results may be worked out by the end of 2008.

5. The experience of compiling JSTSA

5.1 Governmental concern**.** The provincial government paid much attention to the development of tourism industry. Research on the contributions to National account, financial revenue and employment were required. Statistic department and department of comprehensive economic management also highly concerned about the JSTSA. Department of Statistics, Culture, Transportation, professional survey units, etc. positively supported this research; Department of Finance provided special fund for this project; especially, good cooperation with the input-output accounting institution of department of statistics was established.

5.2 Effective organization**.** The development of the project was undertaken by Jiangsu Provincial Tourism Bureau and Jiangsu Bureau of Statistics with technical support and professional guidance from China National Bureau of Statistics, and from scientific research institutes in carrying out the research work. The study of the project strictly followed the research stages to develop steadily and organized the experts to study the difficult and technical problems.

5.3 Devotion and renovation**.** The working group of JSTSA was organized by the professional investigation institutes, the manager of the institutes and professional workers from National Account Departments (Department of Accounting of National Bureau of Statistics, Department of Design of the Policy, Department of Trade

and Foreign Economy), Department of Tourism Management and other departments of management (Culture, Transportation, and etc.). During the research, the group always followed the rules of combining criterion with innovation. We made relevant adjustment to the referred conception, system of classification of industries and product, System of China National Account and policy of tourism statistics and investigation. Classification of the industries comprehensively considered the combination of GB/T4754-2002 and the classification of industries in Jiangsu Input-output table formats. In view that there is not CPC in China, classification of the products almost learned from classification of industries and the use of the price of the producer as the accounting method. We also fully considered the situation of Jiangsu Province during the compilation of tourism characteristic industry and the catalog of tourism characteristic products.

5.4 Guarantee of the fund. Fund supporting from Jiangsu Province, Department of National Finance and Department of Management of National Tourism Administration was the guarantee to make the work carrying out initially and complete the task.