

Productivity of Tourism

Productivity measures are often used to indicate how well a country can use its human and physical resources to generate economic growth. Strong economic growth will generally mean an improvement in living standards. However, productivity alone does not tell us everything about the economic wellbeing of different areas. The potential of any given place depends on the mix of industries, the infrastructure and the size of settlements there. Based on these circumstances, even an area with low productivity might be performing as well as it can.

Gross Value Added (GVA) measures the contribution to the economy of each individual producer, industry or sector. Simplistically it is the value of the amount of goods and services that have been produced, less the cost of all inputs and raw materials that are directly attributable to that production.

- Tourism GVA in predominantly rural areas was £10.7bn in 2010 (5.1% of total GVA in such areas). This compares with tourism GVA of £26.4bn in predominantly urban areas, excluding London (5.6% of total GVA in such areas). GVA from tourism related industries (tourism GVA) is highest in predominantly urban areas, with London contributing significantly to this. Tourism GVA was affected by the recession but has been relatively stable over the period between 2008 to 2010.

GVA (£ million) of tourism related industries by local authority classification (at broadly local district level) (2001 to 2010)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
London	20,294	20,069	20,654	23,167	23,801	22,690	27,206	23,901	21,472	23,711
Major Urban excl. London	8,659	8,448	9,558	10,525	10,764	11,995	12,434	10,096	10,180	11,042
Large Urban	4,748	5,764	5,524	6,419	6,441	6,514	7,307	6,657	6,720	6,268
Other Urban	7,506	7,927	8,334	8,650	8,674	8,578	9,916	8,039	9,010	9,092
Significant Rural	5,777	5,867	6,023	6,680	6,745	7,561	8,056	6,627	7,023	6,788
Rural-50	4,800	4,949	5,362	6,037	6,346	6,474	6,834	6,085	6,440	6,070
Rural-80	3,972	4,050	4,721	4,895	5,373	5,575	6,057	4,638	4,366	4,597
Predominantly Urban	41,207	42,208	44,070	48,760	49,679	49,776	56,862	48,693	47,381	50,114
Significant Rural	5,777	5,867	6,023	6,680	6,745	7,561	8,056	6,627	7,023	6,788
Predominantly Rural	8,771	8,999	10,083	10,932	11,718	12,048	12,890	10,723	10,806	10,667
England	55,755	57,073	60,176	66,372	68,143	69,385	77,809	66,043	65,209	67,569

Notes: Tourism related GVA covers the following types of activity: amusement parks and theme parks; conference organisers; exhibition and fair organisers; tourist guides; artistic creation; botanical and zoological gardens and nature reserves activities; camping grounds recreational vehicle parks and trailer parks; event catering; gambling and betting; holiday centres and villages; hotels and similar accommodation; inland passenger water transport; letting and operating of conference and exhibition centres; letting and operating of own or leased real estate; licensed clubs & restaurants; management of real estate on a fee or contract basis; museums activities; news agency activities; non-scheduled passenger air transport; operation of arts facilities; operation of historical sites and buildings and similar visitor attractions; operation of sports facilities; other accommodation; other amusement and recreation activities; other food services; other holiday and other collective accommodation; other passenger land transport n.e.c.; other reservation service activities not including activities of tourist guides); other sports activities (not including activities of racehorse owners) n.e.c.; passenger rail transport interurban; performing arts; public houses and bars; renting and leasing of cars and light motor vehicles; renting of buses and coaches; renting and leasing of passenger air transport equipment; renting and leasing of passenger water transport equipment; renting and leasing of recreational and sports goods; scheduled passenger air transport; sea and coastal passenger water transport; support activities to performing arts; take-away food shops and mobile food stands; taxi operation; tour operator activities; travel agency activities; unlicensed restaurants and cafes; youth hostels; coach services; live theatrical presentation; other entertainment activities n.e.c.; other self-catering holiday accommodation; other tourist assistance activities n.e.c.; other tourist or short-stay accommodation; other transport via railways; take-away food mobile stands; and take-away food shops.

(n.e.c – not elsewhere classified)

Source ONS, Annual Business Survey, data available on request: abs@ons.gov.uk.