How dependable is Malta’s economy on tourism?
The consumption-oriented visitor criteria

Gross direct value added of the tourism industries

Visitors

Tourism-related industries

Tourism direct gross value added

Non-visitors

Other industries
Tourism Satellite Account – the filtering process

- Direct Tourism Economic Leaks
- Expenditure relevant to the Maltese Economy
- Expenditure featured in the output of the Maltese industries
- Tourism Gross Value Added

Indirect economic leaks or indirect contribution to GDP
Tourstat and other expenditure Surveys
Industry Performance Highlights - 2010

Inbound Tourism Expenditure € 1,033 million

Internal Tourism Expenditure € 1,150 million

Tourism Direct Gross Value Added € 331 million

Domestic Tourism Expenditure € 112 million

Gross Value Added of the Tourism Industries € 959 million

Employment generated by Tourism Demand 17,086 jobs

Outbound Tourism Expenditure € 190 million
Tourism GDP – the rate of growth

<table>
<thead>
<tr>
<th></th>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Tourstat total inbound tourism expenditure</td>
<td>7.9</td>
<td>8.6</td>
<td>8.6</td>
<td>6.1</td>
<td>7.2</td>
<td>4.3</td>
</tr>
<tr>
<td>GDP (at market prices)</td>
<td>3.0</td>
<td>4.8</td>
<td>6.7</td>
<td>10.6</td>
<td>9.7</td>
<td>7.2</td>
</tr>
</tbody>
</table>

2010 = 100

![Graph showing the growth of Tourstat total inbound tourism expenditure and GDP from 2010 to 2016, with 2010 as the base year at 100.](chart.png)
Comparison of GVA shares of different economic activities in Malta: 2010

<table>
<thead>
<tr>
<th>Industry</th>
<th>% Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gambling and Betting Activities</td>
<td>7.9%</td>
</tr>
<tr>
<td>Public Administration and Defence; Compulsory Social Security</td>
<td>6.1%</td>
</tr>
<tr>
<td>Real Estate Activities</td>
<td>6.0%</td>
</tr>
<tr>
<td>Education</td>
<td>5.8%</td>
</tr>
<tr>
<td>Financial Service Activities, except Insurance and Pension Funding</td>
<td>5.7%</td>
</tr>
<tr>
<td>Wholesale Trade, except of Motor Vehicles and Motorcycles</td>
<td>5.3%</td>
</tr>
<tr>
<td>Human Health Activities</td>
<td>4.6%</td>
</tr>
<tr>
<td>Retail Trade, except of Motor Vehicles and Motorcycles</td>
<td>4.5%</td>
</tr>
<tr>
<td>Warehousing and Support Activities for Transportation</td>
<td>3.8%</td>
</tr>
<tr>
<td>Manufacture of Computer, Electronic, Optical Products and Electrical</td>
<td>3.2%</td>
</tr>
<tr>
<td>Equipment</td>
<td></td>
</tr>
<tr>
<td>Accommodation</td>
<td>2.8%</td>
</tr>
<tr>
<td>Construction of Buildings</td>
<td>2.6%</td>
</tr>
<tr>
<td>Computer Programming, Consultancy and Related Activities</td>
<td>2.3%</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>2.2%</td>
</tr>
<tr>
<td>Food and Beverage Service Activities</td>
<td>1.9%</td>
</tr>
<tr>
<td><strong>Tourism</strong></td>
<td><strong>5.7%</strong></td>
</tr>
</tbody>
</table>
Tourism direct Gross Value Added shares across different countries in the EU

Source: UNWTO (2010); NSO
Note: Various reference years
Tourism GVA absorption by the main tourism-related industries

- Accommodation industry
- Food and beverage serving...
- All other industries
- Air and water transport industries
- Travel agencies and other...
- (Private) Education industry
- Road transport industry
- Cultural industry
- Sport and recreational industry
- Transport equipment rental...
- Real estate industry

Output vs. GVA

[Bar chart showing the absorption of GVA by different tourism-related industries with Accommodation industry having the highest absorption followed by Air and water transport industries and then Food and beverage serving.]
In a nutshell – The TSA


Main highlights

- 5.7% of total Maltese economy Gross Value Added.
- 6.1% of total Maltese economy Gross Domestic Product.
- Malta’s tourism direct contribution to GDP is among the highest in the EU.

Tourism economic statistics issues

- Tourism is a consumption-side sector.
- Economic contribution traditionally amplified due to its socio-cultural impacts.

The Main TSA filtering processes

- Removing expenditure elements which do not have any contact with the GDP of Malta.
- Eliminating ‘intermediate consumption’ from tourism ‘output’ to match the methodology of the production-side approach to GDP of the other industries.

TSA key uses

- Tourism economic leakages analysis/absorption strengths.
- A platform for further analysis on tourism multipliers.