

MAIN CHARACTERISTICS OF SPANISH TOURIST FIRMS IN 2002

Francisco Javier Quirós Tomás¹

¹ Francisco Javier Quirós Tomás. Departamento de Administración de Empresas y Marketing. Universidad de Sevilla. Tel: 34 954 75 27. E Mail: quiros@us.es

MAIN CHARACTERISTICS OF SPANISH TOURIST FIRMS IN 2002

Francisco Javier Quirós Tomás

Abstract:

This paper aim is the analysis of some of the more important facts related with Spanish tourist sector in the year 2002. Number of companies and their legal condition and size, number of premises, number of workers and kind of labour relationship with the tourist firms and so on will be analysed. When possible, the analysis will be widened to the different tourist subsectors or branches: hotels, restaurants and travel agencies and tour operators. Their figures will be compared with the same ones for the Spanish economy as a whole.

MAIN CHARACTERISTICS OF SPANISH TOURIST FIRMS IN 2002

Francisco Javier Quirós Tomás

1.- THE IMPORTANCE OF TOURISTIC SECTOR IN SPAIN

Tourism industry is one of the more important sectors in Spanish economy. Table 1 provides information about it. The Spanish Tourism Satellite Account reveals that it amounts to as much as 11.6% of Gross Domestic Product (G.D.P.). This includes receptive tourism and other components of tourism, mainly homeland tourism.

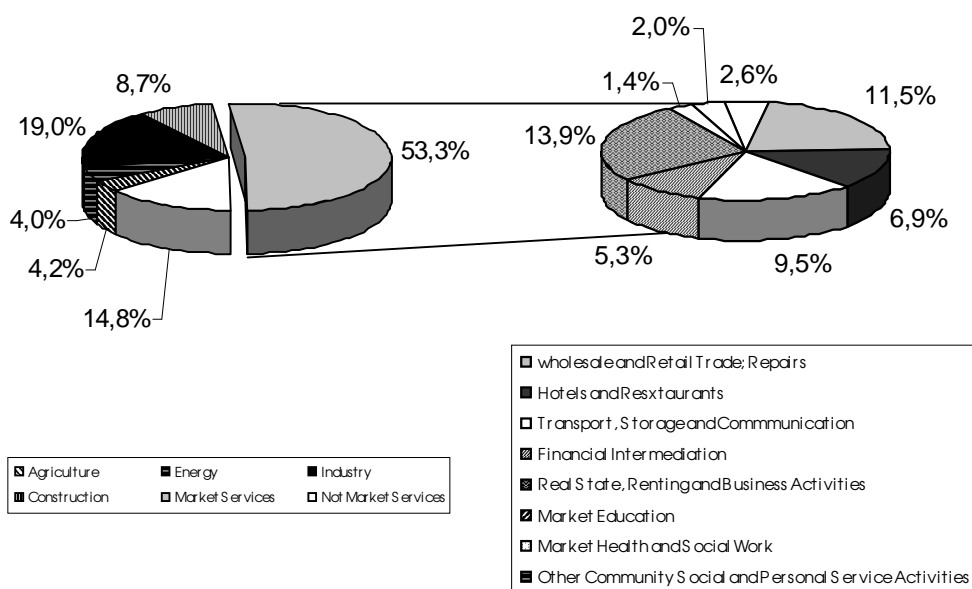
TABLE 1: G.D.P. AND TOURIST SECTOR. YEAR 2002

	<i>Percentage</i>
<i>Receptive Tourism</i>	5.8%
<i>Other Tourist Elements</i>	5.8%
<i>Total</i>	11.6%

Source: Tourism Satellite Account of Spain.

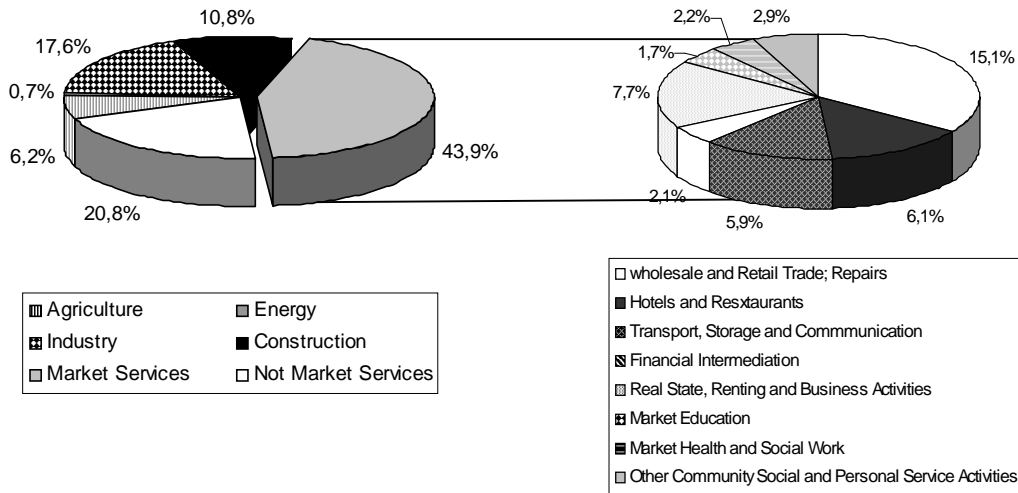
Its Gross Added Value for hotels and restaurants is somewhat smaller, just 6.9% (Graph 1), that is related to the fact that hotels and restaurants is just part of the tourist sector.

GRAPH 1: GROSS ADDED VALUE AND ECONOMIC SECTORS



The importance of hotels and restaurants related to employ is even smaller. Graph 2 provides information at this respect. The percentage of employment related to the whole Spanish employment is about 6.1%.

GRAPH 2: EMPLOYEEMENT AND ECONOMIC SECTORS



2.- TOURIST SECTOR FIRMS: A GENERAL IDEA.

The tourist sector in Spain consisted of 270,553² firms in the year 2002. This was 10.30% of Spanish total firms³. Table 2 provides some general figures about these companies. The mean of premises by firm is just of 1.1. The mean gross income was 209.51 thousand euros, with a gross investment of 13.41 thousand euros and the compensation per employee was 5.79 thousand euros.

TABLE2: MAIN TOURIST SECTOR FIGURES. YEAR 2002.

<i>Tourist Total</i>	<i>Total</i>
<i>Premisess / Firm</i>	1.10
<i>Gross Income / Firm (000 €)</i>	209.51
<i>Gross Investment /Firm (000 €)</i>	13.41
<i>Employees Compensation /Wage earners (000 €)</i>	5.79

Source: Annual Services Survey

² Source: Encuesta Anual de Servicios 2000, INE.

³ Source: Directorio Central de Empresas (DIRCE), year 2000.

In the year 2002, the number of new firms in the sector has been of 39,661, more than one over eight of firms created in Spain (Table 3).

This number is slightly bigger than the number of firms that closed the same year, 38,867, or one over seven of all firms that closed.

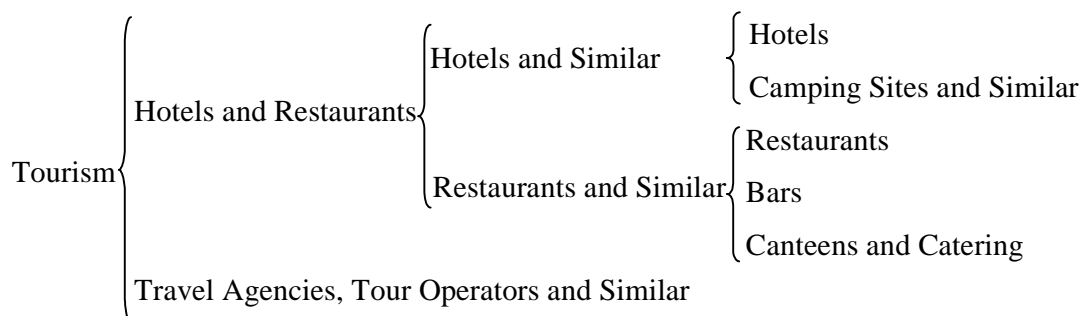
TABLE 3: DEMOGRAPHY OF THE COMPANIES. YEAR 2002

	<i>Number</i>	<i>Percentage</i>
<i>Permanence</i>		
<i>Spain Total</i>	2,383,332	100.00%
<i>Tourist</i>	245,595	10.30%
<i>New listed</i>		
<i>Spain Total</i>	327,068	100,00%
<i>Tourist</i>	39,661	12.13%
<i>Deslisted</i>		
<i>Sapin Total</i>	274,365	100.00%
<i>Tourist</i>	38,867	14.17%

Source: DIRCE

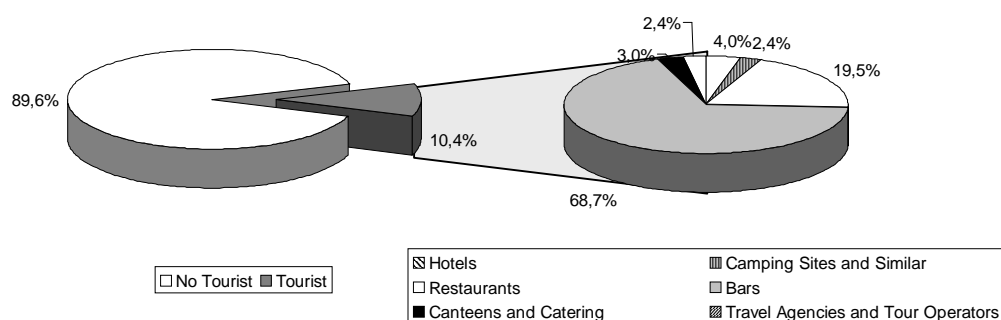
As you can see, this firms demography is very dynamic. There are just a 10.30% of this kind of firms in Spain as a whole, versus 12.13 % of new ones 14.17% of closed ones.

Tourist sector can be divided in subsectors or branches of activity. These are show in the figure below.



There were 272,272 tourist firms in Spain in 2002, that is one in 10 of every Spanish company was a tourist one (Graph 3). Almost 187,000 of them were Bars (69% of tourist firms) and more than 53,000 were restaurants (almost 20% of them).

GRAPH 3: PERCENTAGE OF FIRMS BY ECONOMIC SECTOR



3.- TOURIST FIRMS LEGAL CONDITION

There are three main legal conditions: Public Limited Company, Limited Liability Company and Physical Persons. Facts about each one of them is provided in Table 4. There are some more legal conditions which have been grouped as Others.

TABLE 4: FIRMS AND LEGAL CONDITION. YEAR 2002

	<i>Total</i>	<i>Public Limited Companies</i>		<i>Limited Liability Companies</i>		<i>Physical Persons</i>		<i>Others</i>	
	<i>Number</i>	<i>Number</i>	<i>Percent.</i>	<i>Number</i>	<i>Percent.</i>	<i>Number</i>	<i>Percent.</i>	<i>Number</i>	<i>Percent.</i>
All CNAE93 Groups	2,710,400	126,529	4.67%	716,542	26.44%	1662,183	61.33%	205,146	7.57%
Tourist	272,272	6,803	2.50%	50,033	18.38%	191,742	70.42%	23,694	8.70%
Hotels and Restaurants	265,626	5,086	1.91%	47,343	17.82%	189,644	71.40%	23,553	8.87%
Hotels	10,896	1,829	16.79%	3,544	32.53%	4,686	43.01%	837	7.68%
Camping	6,442	627	9.73%	2,309	35.84%	2,594	40.27%	912	14.16%

Sites and Similar									
Restaurants	53,121	1,589	2.99%	17,783	33.48%	27,759	52.26%	5,990	11.28%
Bars	186,946	869	0.46%	21,818	11.67%	149,847	80.16%	14,412	7.71%
Canteens and Catering	8,221	172	2.09%	1,889	22.98%	4,758	57.88%	1,402	17.05%
Travel Agencies and Tour Operators	6,646	1,717	25.84%	2,690	40.48%	2,098	31.57%	141	2.12%

Source: DIRCE

Public Limited Companies figures display that the mean for all Spanish firms is 4.67% while for the tourist sector is just less than half that number. The figures for hotels are twice larger than mean and for travel agencies almost around 5.5 times.

Limited Liability Companies legal condition is more frequent in tourist sector than for the whole economy except for bars y canteens and catering. The higher figures are for travel agencies and tour operators, with 40.48%.

Physical Persons are very common among bars, with more than 80% of them belonging to this legal condition.

4.- TOURIST FIRMS AND THEIR SIZE

There are a lot of ways to group firms by its size. Table 5 provides information about firms without any wage earners, with 1 or 2, three to 5, 6 to 9, 10 top 19, 20 to 49, 50 to 99, 100 to 1999, and 200 or more.

As you can see, the size of Spanish firms is very small. About 89% of them have less than six wage earners, and only 10.54% have more than 200. The

same can be said about tourist firms, but with one difference. The percentage of tourists firms without any wage earner is smaller than the mean, while the number of those with 1 or two is bigger.

TABLE 5: TOURIST FIRMS AND SIZE. YEAR 2002.

Employees Number	Without Employees	From 1 to 2	From 3 to 5	From 6 to 9	From 10 to 19	From 20 to 49	From 50 to 99	From 100 to 199	200 or more
All CNAE93 Groups	52.59%	26.45%	10.03%	4.86%	3.31%	1.87%	0.50%	0.23%	10.54%
Tourist Sector	46.00%	31.94%	12.14%	6.05%	2.11%	1.15%	0.30%	0.19%	9.61%
Hotels and Restaurants	46.84%	32.15%	11.84%	5.90%	1.80%	0.97%	0.24%	0.16%	8.91%
Hotels	28.71%	25.10%	13.35%	12.10%	7.59%	7.04%	2.53%	2.29%	29.26%
Camping Sites and Similar	40.58%	27.63%	12.96%	9.22%	4.92%	3.29%	0.76%	0.40%	18.19%
Restaurants	20.68%	35.40%	22.69%	14.25%	4.29%	2.07%	0.38%	0.16%	20.99%
Bars	55.42%	32.05%	8.72%	3.04%	0.59%	0.17%	0.02%	0.00%	3.81%
Canteens and Catering	49.75%	26.38%	9.93%	6.18%	3.04%	2.32%	1.00%	0.63%	12.54%
Travel Agencies and Tour Operators	34.64%	29.07%	16.17%	8.17%	6.35%	3.53%	1.04%	0.55%	19.09%

Source: DIRCE

Hotels and Restaurants have greater companies. Both of them have many big firms (more than 200 employees), with almost 20 and more than 10 percentage

points over the mean respectively. On the other hand, both of them have less than half the mean of firms without any wage earner.

Bars have a smaller number of wage earners than average. Only in the percentage of firms with less than two employees is bigger than the mean of Spanish firms.

Travel Agencies and Tour Operators have greater figures for every size, except for non wage earners firms.

Information about legal condition and size of the different tourist subsectors in 2002 is provided in Table 6. The percentage of Physical Persons decreased steadily for every subsector, while the proportion of Public Limited Companies went opposite. On the other hand, the proportion of Limited Liability Companies grew at the beginning but later it began to go down. The size for the utmost of this type of companies was different for each subsector. Hotels and Similar reached the utmost for firms with 5 to 19 employees, Restaurants and Similar for 20 to 99 employees and it was just 2 to 4 size the one in which more Limited Liability Companies there was for travel Agencies and Tour Operators in 2002.

TABLE 6: TOURIST FIRMS BY SIZE AND LEGAL CONDITION . YEAR 2002.

	<i>Total</i>	<i>Physical Persons</i>		<i>Public Limited Companies</i>		<i>Limited Liability Companies</i>		<i>Others</i>	
	<i>Number</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
<i>Tourism</i>									
Total	270,553	202,194	74.70%	5,694	2.10%	41,975	15.50%	20,690	7.60%
Less than 2	119,196	112,421	94.30%	206	0.20%	4,748	4.00%	1,821	1.50%
From 2 to 4	108,616	76,734	70.60%	1,228	1.10%	17,661	16.30%	12,991	12.00%
From 5 to 19	37,141	12,860	34.60%	2,097	5.60%	16,532	44.50%	5,653	15.20%
From 20 to 99	4,992	177	3.50%	1,787	35.80%	2,812	56.30%	216	4.30%
100 or More	608	1	0.20%	375	61.70%	222	36.50%	9	1.50%

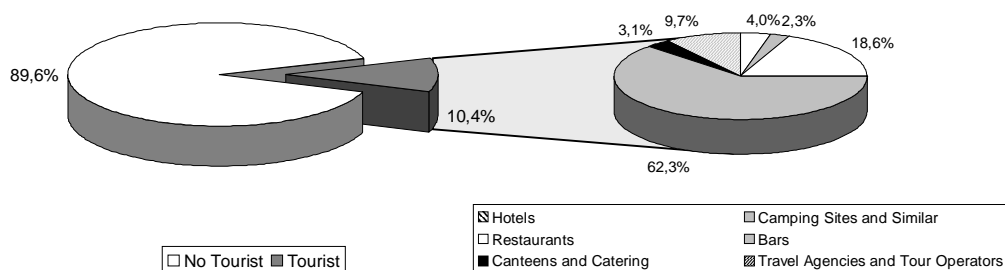
Hotels and Similar									
Total	17,922	8,294	46.30%	2,222	12.40%	5,633	31.40%	1,773	9.90%
Less than 2	5,602	4,717	84.20%	89	1.60%	567	10.10%	228	4.10%
From 2 to 4	5,605	2,880	51.40%	249	4.40%	1,773	31.60%	703	12.50%
From 5 to 19	4,276	663	15.50%	568	13.30%	2,295	53.70%	750	17.50%
From 20 to 99	2,077	33	1.60%	1,072	51.60%	884	42.60%	88	4.20%
100 or More	362	1	0.30%	244	67.40%	114	31.50%	3	0.80%
Restaurants and Similar									
Total	245,650	191,144	77.80%	1,874	0.80%	33,815	13.80%	18,817	7.70%
Less than 2	110,319	105,112	95.30%	6	0.00%	3,644	3.30%	1,557	1.40%
From 2 to 4	100,701	73,701	73.20%	298	0.30%	14,453	14.40%	12,248	12.20%
From 5 to 19	31,725	12,186	38.40%	915	2.90%	13,734	43.30%	4,890	15.40%
From 20 to 99	2,703	144	5.30%	559	20.70%	1,884	69.70%	116	4.30%
100 or More	202	0	0.00%	95	47.00%	100	49.50%	6	3.00%
Travel Agencies and Tour Operators									
Total	6,981	2,756	39.50%	1,598	22.90%	2,527	36.20%	100	1.40%
Less than 2	3,275	2,592	79.10%	111	3.40%	537	16.40%	36	1.10%
From 2 to 4	2,310	153	6.60%	681	29.50%	1,435	62.10%	40	1.70%
From 5 to 19	1,140	11	1.00%	614	53.90%	503	44.10%	13	1.10%
From 20 to 99	212	0	0.00%	156	73.60%	44	20.80%	12	5.70%
100 or More	44	0	0.00%	36	81.80%	8	18.20%	0	0.00%

Fuente: Annual Services Survey

5.- TOURIST FIRMS AND PREMISES

The number of premises is another relevant information about tourists firms. In 2002 there were 312,528 tourist premises. That is, more than one in 10 premises were tourists ones. That percentage is roughly similar to the percentage of tourist firms.

GRAPH 4: PERCENTAGE TOURIST PREMISES AND SUBSECTORS



Tourist firms had 1.15 branches in average. The subsector with more premises by firm is the Travel Agencies and Touroperators, with a mean of 1.70, more than one and a half the average of all CNAE93 groups.

TABLE 7: TOURISTS FIRMS AND PREMISES. YEAR 2002

	<i>Firms</i>	<i>Premises</i>	<i>Premises /Firms</i>
All CNAE93 Groups	2,710,400	2,998,930	1.11
Tourist	2,438,128	2,686,402	1.10
Hotels and Restaurants	272,272	312,528	1.15
Hotels	10,896	12,513	1.15

Camping Sites and Similar	6,442	7,310	1.13
Restaurants	53,121	57,987	1.09
Bars	186,946	194,611	1.04
Canteens and Catering	8,221	9,721	1.18
Travel Agencies and Tour Operators	6,646	11,320	1.70

Source: DIRCE

The number of premises by firms grows with the number of workers. The more workers, the more premises has a firm. That is true for every tourist subsector. The relation number of workers/number of premises is higher for travel Agencies and Tour Operators and smaller for Hotels. This is due to the different ratio of workers per branch between different subsectors. The information above is collected in Table 8.

TABLE 8: PREMISES PER FIRM AND SIZE. YEAR 2002

	Less than 2	From 2 to 4	From 5 to 19	From 20 to 99	100 or More	Total
Total Tourist Sector	1.0	1.0	1.2	1.9	9.5	1.1
Hotels and Similar	1.0	1.1	1.2	1.4	4.0	1.2
Restaurants and Similar	1.0	1.0	1.2	2.0	16.0	1.1
Travel Agencies and Tour Operators	1.0	1.1	1.9	5.1	71.0	1.8

Source: Annual Services Source

Table 9 provides information about premises and size. The column without employees does not mean there is a premise without at least one worker, there are workers which are non wage earners. The tourist firms are more common

than average between 1 and 9 employees, being their percentage inferior in every other size.

TABLE 9: TOURIST FIRMS, PREMISES AND SIZE. YEAR 2002

<i>Number of Employees</i>	<i>Without Employees</i>	<i>From 1 to 2</i>	<i>From 3 to 5</i>	<i>From 6 to 9</i>	<i>From 10 to 19</i>	<i>From 20 to 49</i>	<i>From 50 to 99</i>	<i>From 100 to 199</i>	<i>200 or More</i>
Total NACE93 groups	49.56%	27.64%	11.25%	5.15%	3.64%	1.89%	0.51%	0.22%	0.14%
Tourist	44.88%	32.66%	13.20%	5.53%	2.05%	1.17%	0.29%	0.16%	0.06%
Hotels and Restaurants	45.41%	32.66%	12.79%	5.50%	1.96%	1.18%	0.29%	0.16%	0.06%
Hotels	27.78%	25.63%	13.48%	10.72%	8.12%	7.97%	3.18%	2.41%	0.71%
Camping Sites and Other Provisions of Short-stay Accommodation	39.63%	28.51%	13.64%	8.52%	5.13%	3.41%	0.79%	0.26%	0.11%
Restaurants	20.38%	35.83%	23.82%	13.02%	4.39%	2.09%	0.34%	0.10%	0.03%
Bars	54.24%	32.61%	9.45%	2.77%	0.63%	0.26%	0.03%	0.01%	0.00%
Canteens and Catering	44.90%	26.99%	12.31%	6.19%	3.62%	3.74%	1.20%	0.66%	0.37%
Activities of Travel Agencies, Tour Operators and Other Activities	31.79%	32.63%	23.42%	6.40%	4.36%	1.10%	0.20%	0.09%	0.01%

Source: DIRCE 2002

Hotels are companies bigger than average. Their percentage is higher for every size bigger than 3 employees. It is almost the same for Camping Sites and

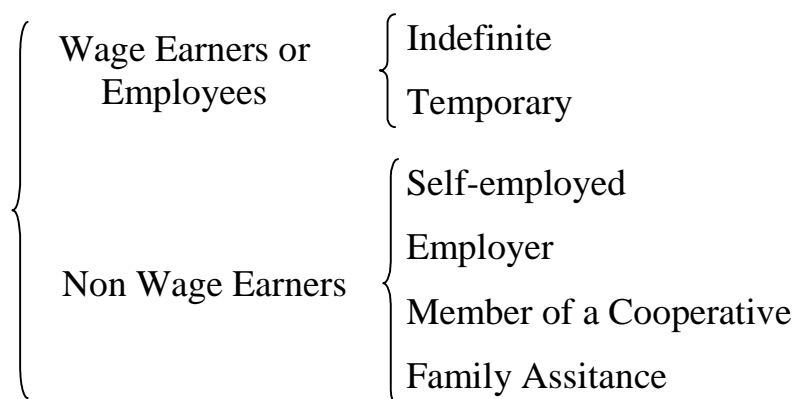
Similar. There are higher percentages in companies between 1 and 199 employees.

Bars are the only tourist subsector which in 2002 had a bigger percentage of firms without employees than the mean in Spanish firms. There were almost no great enterprises.

Travel Agencies and tour operators size was concentrated between 1 and 19 wage earners.

6.- TOURIST FIRMS AND LABOUR RELATIONS

There are different kinds of workers by their labour relationship with a company:



In 2002 there were 1,167,873 workers in the service sector. The 75.65% of them wage earners. The percentage of Wage earners is much smaller among bars workers. It is the only subsector whose proportion is lower than mean.

Most of them worked in Restaurants and Bars (388 and 383 thousands respectively), and only 47,000 worked in Travel Agencies and tour Operators.

TABLE 10: WORKERS AND EMPLOYEES BY TOURIST SUBSECTOR. YEAR 2002.

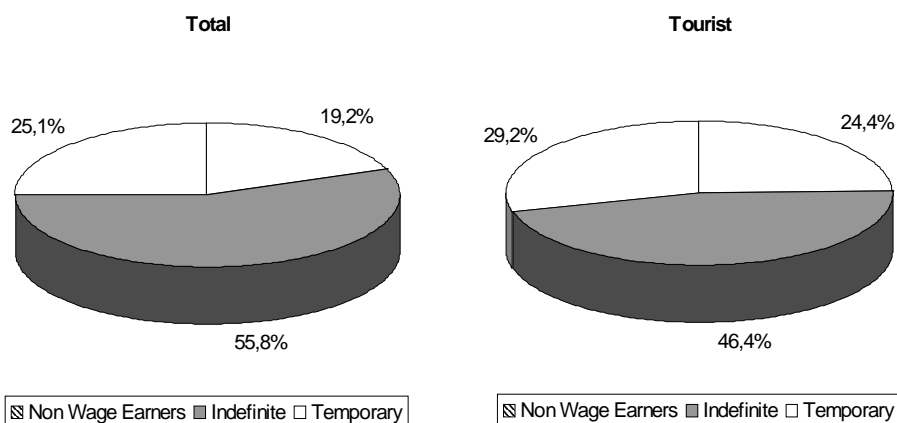
	<i>Workers</i>	<i>Wage</i>	<i>Wage</i>
--	----------------	-------------	-------------

	on 09-30-02	Earners on 09- 30-02	Earners/Workers
Total Tourist Sector	1,167,873	883,229	75.6%
Hotels and Similar	232,839	224,056	96.2%
Camping Sites and Other Provisions of Short-stay Accommodation	43,264	37,383	86.4%
Restaurants	388,197	323,705	83.4%
Bars	383,703	189,100	49.3%
Canteens and Catering	72,870	66,184	90.8%
Activities of Travel Agencies, Tour Operators and Other Activities	47,000	42,801	91.1%

Source: Annual Services Survey

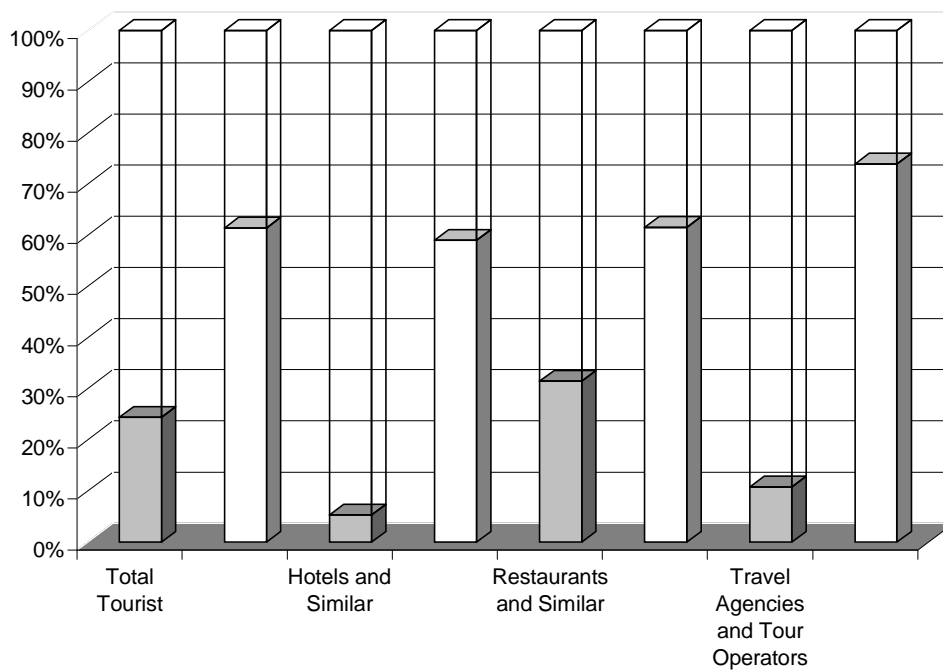
Graph 5 provides information about the professional situation or type of labourer relationship of tourist sector workers and Spanish workers. The proportion of Wage earners among tourist workers is smaller than among all Spanish workers (24.4% and 19.2% respectively). The situation of tourist wage earners is quite instable in comparison with other workers, as the percentage of temporary workers is as high as 29.2%.

GRAPH 5: WORKERS AND PROFESSIONAL SITUATION



The case for the different tourist subsectors is shown in Graph 6. The percentage of wage earners is very high for Hotels and travel Agencies. Less than 90% of their workers are non wage earners.

GRAPH 6: WORKERS PROFESSIONAL SITUATION AND TOURIST SUBSECTORS



The percentage of workers with an indefinite work contract is similar to the mean for Hotels and Restaurants, but it is higher for Travel Agencies and Tour

Operators (74% while the mean is 64% for tourist sector as a whole and 55.8 for Spain).

Gender is another important information about workers. Table 11 provides facts about this matter. There were more males than females working in the tourist sector, even though the number of women wage earners was higher than the number of men. Related with this, the proportion of wage earners among females was higher than among males (84.4% y 71.3% respectively). That was true for every tourist subsector, except in Hotels and Similar case. For them, the percentage of wage earners is similar for male and female.

On the other hand, the proportion of males employees with indefinite labour relation is higher than females by 7.68 percentage points. This proportion is even higher in Hotels and Similar subsector, with almost 10 percentage points difference.

TABLE 11: TOURIST WORKERS, LABOUR RELATION AND GENDER. YEAR 2002

		<i>Total Tourist Sector</i>		<i>Hotels and Similar</i>		<i>Restaurants and Similar</i>		<i>Travel Agencies and Tour Operators</i>	
Workers	Total	1,167,874	100.00%	276,103	100.00%	844,770	100.00%	47,000	100.00%
	Males	612,458	100.00%	130,894	100.00%	465,059	100.00%	16,507	100.00%
	Females	555,416	100.00%	145,210	100.00%	379,712	100.00%	30,494	100.00%
Wage Earners	Total	883,229	75.63%	261,439	94.69%	578,989	68.54%	42,801	91.07%
	Males	436,727	71.31%	124,003	94.74%	298,213	64.12%	14,511	87.91%
	Females	446,503	80.39%	137,436	94.65%	280,776	73.94%	28,291	92.78%
Indefinite	Total	542,192	61.39%	154,202	58.98%	356,339	61.55%	31,652	73.95%
	Males	285,045	65.27%	79,410	64.04%	194,261	65.14%	11,373	78.38%
	Females	257,148	57.59%	74,792	54.42%	162,078	57.73%	20,279	71.68%

Temporary	Total	341,037	38.61%	107,237	41.02%	222,650	38.45%	11,149	26.05%
	Males	151,682	34.73%	44,593	35.96%	103,952	34.86%	3,138	21.62%
	Females	189,355	42.41%	62,644	45.58%	118,698	42.27%	8,012	28.32%
Non Wage Earners	Total	284,645	24.37%	14,665	5.31%	265,782	31.46%	4,199	8.93%
	Males	175,731	28.69%	6,891	5.26%	166,846	35.88%	1,996	12.09%
	Females	108,913	19.61%	7774	5.35%	98,936	26.06%	2,203	7.22%

Source: Annual Services Survey

7.- WORKERS WITHOUT LABOUR RELATIONSHIP WITH THE TOURIST FIRMS.

There are two types of workers whose workforce is employed by firms belonging to the tourist sector but have no labour relationship with the firms. This situation happens when there is a temporary recruitment or when there is a commercial contract between the firm and the worker.

TABLE 12: TOURIST WORKERS WITHOUT LABOUR CONTRACT RELATIONSHIP. YEAR 2002

		Tourism	Hotels and Similar	Restaurants and Similar	Travel agencies and Tour Operators
Workers with Labour Contract	Number	1,087,480	24,3481	799,033	44,966
E.T.T.⁴	Number	13,453	6,562	6,794	97
	Percentage	1.24%	2.70%	0.85%	0.22%
S.C.L.⁵	Number	4,742	874	3,370	499

⁴ E.T.T.: Empresas de Trabajo Temporal. Firms whose work is to provide temporary staff.

⁵ S.C.L.: Workers which have a non labour contract with a firm.

	Percenta ge	0.44%	0.36%	0.42%	1.11%
--	------------------------	-------	-------	-------	-------

Source: Annual Services Survey

Table 12 provides information about these two types of workers in the tourist sector. Their number is small relative to the number of workers. 1.24% for E.T.T. and 0.44% for S.C.L. Recourse to E.T.T. workers is far more common of Hotels and Similar than of any other branch of services, while recourse to S.C.L. is more common of Travel Agencies and Tour Operators.

BIBLIOGRAFÍA

Anuario de Estadísticas Laborales y Asuntos Sociales. Ministerio de Trabajo y Asuntos Sociales 2002.

Encuesta de Población Activa (E.P.A.), Resultados Detallados. I.N.E. 2002.

Directorio Central de Empresas (D.I.R.C.E.), Explotación Estadística. I.N.E. 2002.

Contabilidad Nacional de España, Base 2000. I.N.E. 2002.

Cuenta Satélite del Turismo en España, Base 1995, Resultados Detallados. Serie Contable 1995-2003. I.N.E. 2002.

Encuesta de Ocupación Hotlelera 2002. I.N.E. 2002.

Encuesta Anual de Servicios. I.N.E. 2002.