In 2012, Spain consolidated its third position in the world tourism ranking in terms of foreign visitors, and its second in terms of revenue. Tourism therefore appears to be considerably important for the economy as a whole, as further confirmed by a more thorough analysis of data on the sector. Nevertheless this is a highly seasonal industry, resulting in the extensive underutilisation of the resources available throughout the year. Let us look at the details.

In order to assess the overall role played by tourism in Spain's economic activity and employment we need to take into account both the direct or immediate effects
and also the indirect or knock-on effects. The former are generated in the production units or companies that supply the goods and services acquired directly by tourists while the latter include the chain effects occurring in the rest of the economic system when the tourism industry demands production inputs and factors to be able to carry out its business. This capacity of an industry, in this case tourism, to lead to the development of other economic sectors by using the intermediate inputs produced by these sectors is called «total backward linkage» or the «diffusion effect». According to INE's symmetrical input-output table (2005), the total backward linkage index for the tourism sector is 1.68, a notable figure. Consequently, if the tourism industry expanded by one unit, the final increase in production for the economy as a whole would be 1.68 units (the indirect effect would be 0.68). More specifically, according to this methodology the tourism industry's direct contribution to GDP was 6.5% in 2012 and, thanks to its knock-on effect, its total contribution reached 10.9%.

On the other hand, the trend in tourism business also has significant impact on the labour market as the industry is labour-intensive. According to data provided by the INE's Tourism Satellite Account, in 2012 employment in tourism exceeded 2.1 million people, accounting for 11.9% of all employment. Once again, not all employment was generated directly in the tourism industry per se; a proportion was created indirectly in other sectors. For example, according to the input-output table, if GDP in tourism increased by 1%, it would generate around 2,200 new jobs in the commercial sector and around 10,400 new jobs in the hotel and catering sector and would also create employment in other sectors less directly related to tourism (800 in agriculture and 680 in construction). As a benchmark, it should be noted that, historically, a 1% increase in tourism's GDP is usually related to an increase of approximately 3% in overnight stays, which in 2013 rose by 2%.

Tourism therefore has a huge effect on economic activity and employment. However, Spain's large share of «sun, sea and sand» tourism means that the industry is markedly seasonal throughout the year, in turn resulting in the considerable underutilisation of tourism infrastructures. Nonetheless, other countries that offer a similar type of tourism, such as Italy, are even more seasonal, as can be seen in the corresponding graph. The data also show that, in
spite of a considerable rise in the total number of tourists over the last few decades, this pattern has remained very stable. The seasonal nature of tourist service production also extends to the labour market, with employment being more concentrated in the summer months.

There can therefore be no doubt that Spain's tourism industry is still highly seasonal and it comes as no surprise that one of the seven priority objectives set by the Secretariat for Tourism in the country's Comprehensive National Tourism Plan (2012-2015) was to develop specific measures to reduce this feature. With the aim of deseasonalising the flow of tourists as much as possible to avoid both the levels of congestion in the high season (June to September) and also the under-utilisation of resources (facilities and people) in the low season, among other initiatives, the Secretariat asked AENA to introduce a flexible tariff system based on the number of passengers and the capacity of each airport. As commented in the article in this Dossier entitled «Recipes for success in the tourism industry: different ways to reach the same destination», it would also be advantageous to boost the supply of tourism aimed at segments that are less seasonal, more profitable and have a high growth potential, characteristics all enjoyed by cultural tourism, for example.

In conclusion, the tourism industry is one of the Spanish economy's key sectors, both due to its direct impact and also to the considerable knock-on effect it has on the rest of the sectors. Moreover, given the good projections for global growth in tourism (as discussed in the article mentioned previously), it will probably become even more important in the coming years. We should take advantage of this to reduce the industry's extremely seasonal bias and thereby make better use of the infrastructures available.

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1. For the calculation, tourism is divided into different sectors following the structure of
tourism demand provided by Spain's Tourism Satellite Account (see the Tourism Balance for 2012 by the Institute of Tourism Studies), adapting it to the structure of the sectors in the input-output table.

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