

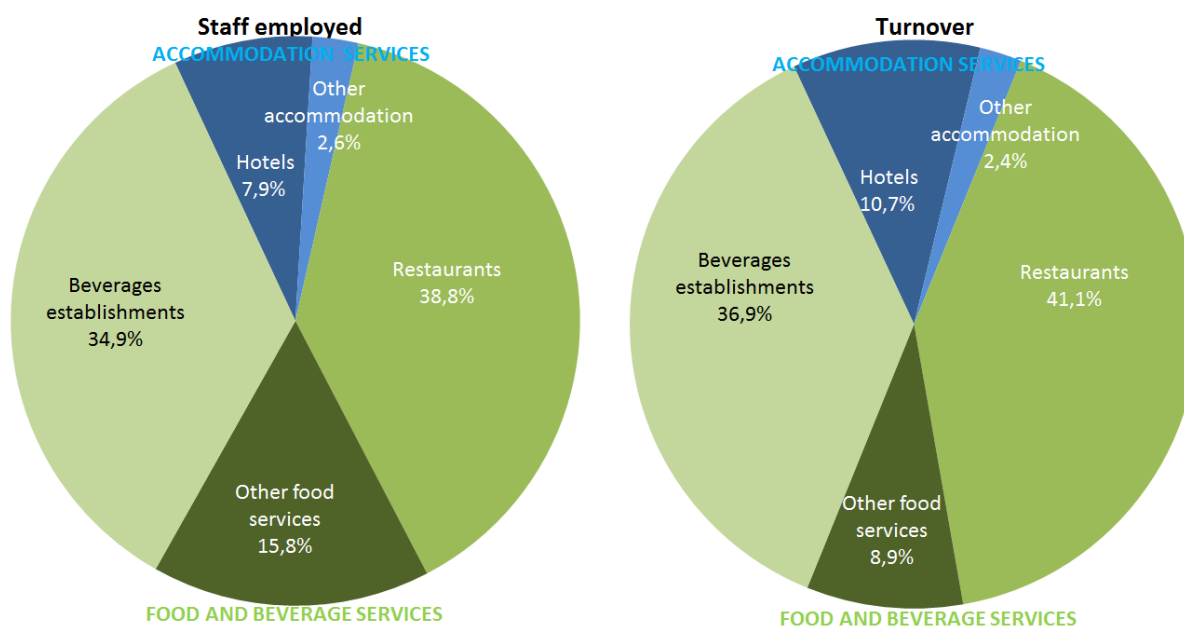
In 2016 the net turnover figure for the Hotel Management & Catering sector in the Basque Country registered growth of 7.7%

The sector employed more than 57,500 people, which was an increase of almost 10% over the last five years

The Hotel Management and Catering sector, which includes companies that offer accommodation services and those that offer food and drink services, had a turnover of 3,897 million euros in 2016, 7.7% more than the previous year, according to Eustat data.

Whilst the number of establishments saw hardly any change, increasing by just 0.4% to stand at 13,973 establishments, employment has increased by 3.0%. A total of 57,511 people were employed in the sector in 2016, 5.6% of the total. Most significant is the evolution over the last five years: the number of establishments was down by 1.3% but employment was up by 9.7%, whilst turnover increased by 25%.

Graph 1. Distribution of employed Individuals and turnover for the hotel management & catering sector, by activity group (millions of €). 2016



Source: Eustat. Services Statistics

Within Hotel Management and Catering, the Food and Drink division, which in turn includes the sub-sectors of Restaurants, Other Food Services and Premises for the Sale and Consumption of Drinks, was dominant. It accounted for 91.9% of establishments, 89.5% of employment and 86.9% of turnover. In 2016 turnover increased by 7.1% and employment was up 2.7%, despite the number of establishments staying practically the same (-0.2%). In addition, in the last five-year period, between 2012 and 2016, there were 225 fewer establishments, but 5,000 more jobs, which provided a 25% increase in turnover.

The division of Accommodation Services, consisting of the sub-sectors Hotels and Other accommodation, saw a 5.5% increase in employment and a rise of up to 11.8% in turnover, all this with an 8% increase in establishments. However, the negative and null rates from previous years meant that, despite the positive performance of employment over the past year, the last five-year period concluded with 2.2% less employment. In contrast, the volume of establishments and turnover were up by 4.4% and 25.4%, respectively, for the same period.

Table 1. Main variables by activity group (thousands of euros). 2016

	Establishments			Employed personal			Amount of the turnover		
	Value	% over total	Annual variation (%)	Value	% over total	Annual variation (%)	Value	% over total	Annual variation (%)
Hostelry	13.973	100,0	0,4	57.511	100,0	3,0	3.896.922	100,0	7,7
Accommodation services	1.138	8,1	8,0	6.039	10,5	5,5	509.995	13,1	11,8
- Hotels	462	3,3	2,4	4.546	7,9	3,9	416.843	10,7	11,5
- Other accommodation	676	4,8	12,1	1.493	2,6	10,7	93.152	2,4	13,3
Food and beverage services	12.835	91,9	-0,2	51.472	89,5	2,7	3.386.927	86,9	7,1
- Restaurants	3.759	26,9	2,6	22.308	38,8	7,0	1.601.073	41,1	11,0
- Other food services	243	1,7	8,5	9.101	15,8	-6,1	346.876	8,9	-8,2
- Beverages establishments	8.833	63,2	-1,6	20.063	34,9	2,4	1.438.978	36,9	7,2

Source: Eustat. Services Statistics

Analysing the results at a more disaggregated activity level and within the division of Food and Drink, the activity of Restaurants is the most significant. It represented 47.3% of the division's total turnover and 43.3% of employment. In the past year it saw an 11% increase in turnover compared to the previous year and a 7% rise in employment. The sub-sector of Premises for the Sale and Consumption of Drinks also performed positively in turnover, with an increase of 7.2% and employment, up 2.4%. It accounted for 39% of jobs and 42.5% of turnover in the sub-sector as a whole. The sub-sector of Other Food Services, which includes catering, posted downturns in the number of individuals employed (-6.1%) and in turnover (-8.2%). It accounted for 17.7% of employment and 10.2% of turnover in the division of Food and Drink.

The division of Accommodation Services consists of the sub-sectors of Hotels and Other accommodation, the former having the most weight: 75.3% of employment and 81.7% of turnover in 2016. Both had the best figures in relation to turnover compared to the previous year: 11.5% more in the case of Hotels, 13.3% more for Other accommodation. Employment also performed positively, up 3.9% in the former and 10.7% in the latter.

By province, all three provinces registered a positive trend in turnover and employment in 2016. Gipuzkoa had the best position, achieving a 10.2% increase in sales and a rise of 3.7% in the number of people employed. Álava had almost the same growth in employment, up 3.8%, and nearly the same increase in turnover, up 8%. The figures were also positive for Bizkaia, with sales up 5.8% compared to 2015 and a 2.2% increase in employment.

Table 2. Main variables by province (thousands of euros). 2016

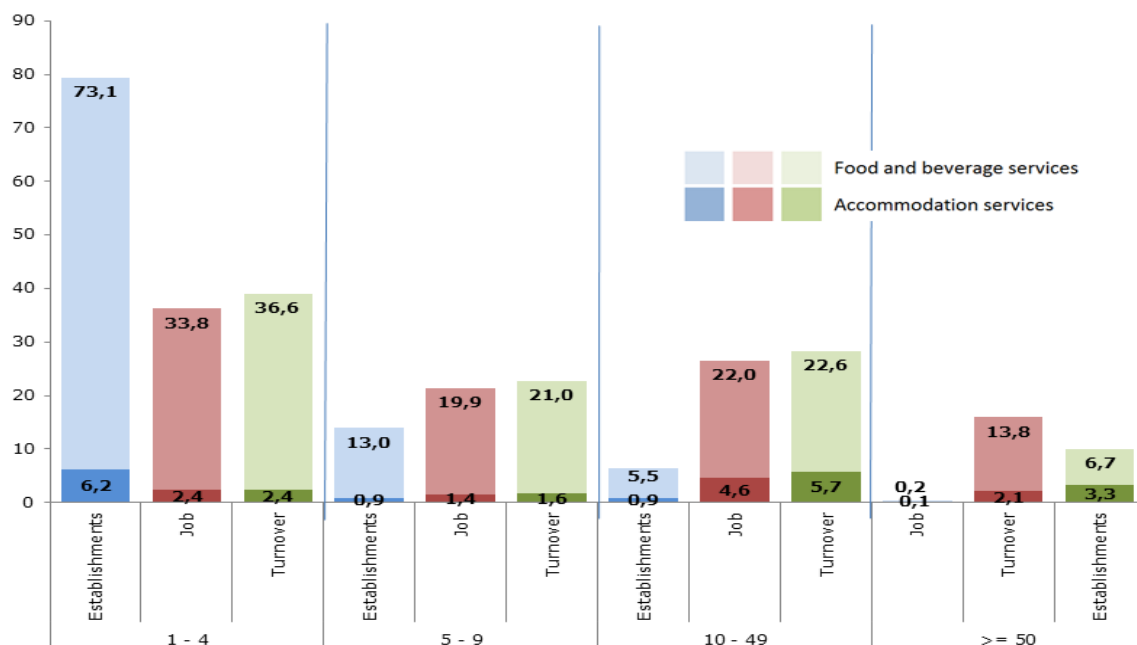
	Basque Country	Δ%	Araba/Álava	Δ%	Bizkaia	Δ%	Gipuzkoa	Δ%
Establishments (number)	13.973	0,4	2.036	0,6	7.451	-0,2	4.486	1,3
Employed personnel (number)	57.511	3,0	8.405	3,8	28.639	2,2	20.467	3,7
Turnover	3.896.922	7,7	567.910	8,0	1.894.069	5,8	1.434.943	10,2
Supplyings	1.523.879	6,5	229.791	6,0	748.851	5,2	545.237	8,7
Expenditures on personnel	1.300.028	6,3	190.078	7,5	627.863	4,4	482.087	8,4
Exterior services	747.903	6,3	106.441	5,3	364.406	5,0	277.056	8,3
Profit of the year	192.995	10,6	26.644	3,3	90.829	4,6	75.522	21,8

Source: Eustat. Services survey

An analysis according to the size of establishments in the Hotel Management & Catering sector revealed that microenterprises (with fewer than 10 employees) comprised 93.3% of establishments and generated 61.6% of total turnover with 57.6% of the employed personnel. Small companies (with 10 to 49 employees) represented 6.4% of establishments with 26.6% of employment, and 28.3% of the turnover. Finally, companies with 50 or more employees (medium and large companies) generated 10.1% of total turnover, provided employment to 15.9% of people in work and represented 0.3% of all establishments.

Although the three strata registered increases in employment in the last five years, it was small companies (with 10 to 49 employees) that benefitted the most. Of the 5,088 jobs gained in Hotel Management and Catering as a whole, 3,505 corresponded to the aforementioned strata, which allowed its weight in the sector as a whole to increase from 22.4% in 2012 to 26.6% in 2016.

Graph 2. Distribution of the number of establishments, personnel employed and turnover figure for the Hotel Management & Catering sector in the Basque Country by employment stratum and activity division. 2016



Source: Eustat. Services Statistics

For further information:

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