

# Provisional Report



## **H**OTEL **A**ND **R**ESTAURANT **S**URVEY 2020

**HOTEL AND RESTAURANT SURVEY 2020**



**BANGLADESH BUREAU OF STATISTICS (BBS)  
STATISTICS AND INFORMATICS DIVISION (SID)  
MINISTRY OF PLANNING**

# Provisional Report



**Secretary**

Statistics and Informatics Division (SID)

Ministry of Planning

Government of the People's Republic of Bangladesh

## *Foreword*

*Bangladesh is a rapidly growing market based economy where more than half of the gross domestic product (GDP) is generated by the service sector. The Hotel and restaurant is an important component of the service sector. Hotel and Restaurant Survey data are needed for national accounting and other policy and management purposes and BBS conducts surveys on it regularly.*

*The report entitled "Hotel and Restaurant Survey 2020" showcases statistical information on various aspects of hotel and restaurant sector in Bangladesh. BBS has developed the questionnaire, sampling methodology as well as conducted data collection through Computer-Assisted Personal interviewing (CAPI), analysed and prepared the report.*

*This report provides information mainly on gross value added to the gross domestic product (GDP). The data are disaggregated by 4 digit level Bangladesh Standard Industrial Classification (BSIC) code. This report also highlights detailed statistics on employment, wages and salaries, cash benefit and non-cash benefit by sex. Meanwhile, employment cost by category, industrial cost, non-industrial cost, capital expenditure, fixed assets and income from various sources are incorporated in the report.*

*I would like to express my sincere appreciation to Mr. Md.Tajul Islam, Director General of Bangladesh Bureau of Statistics, Mr. Kabir Uddin Ahmed, Director, Industry and Labour Wing, BBS and Mr. Md. Akther Hossain, Joint Director and Focal Point of the survey for their contributions and hard work.*

*All suggestions and recommendations for further improvement of the report are highly appreciated.*

Dhaka  
June, 2021

Muhammad Yamin Chowdhury  
Secretary

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**Director General**  
Bangladesh Bureau of Statistics  
Dhaka

## *Preface*

*Bangladesh Bureau of Statistics (BBS), the National Statistical Organization (NSO) of the country, responsible to provide official statistics or evidence for policy and decision making. Industry and Labour Wing is one of the eight wings of BBS, exclusively responsible for generating industrial and labour statistics of the country.*

*Hotel and Restaurant Survey 2020 provides comprehensive statistics on hotel and restaurant irrespective of employment size of the establishment. It contains important characteristics relating to employment pattern, intermediate consumption, gross output and gross value added etc. It also highlights the distribution of principal characteristics by the employment, the type of ownership and the legal status of the establishment.*

*I would like to extend my sincere thanks to the Bangladesh International Hotel Association (BIHA) and Bangladesh Restaurant Owners Association for their generous cooperation that helped completion of the survey without any hurdle. Special thanks to Mr. Kabir Uddin Ahmed, Director, Industry and Labour Wing, BBS and Mr. Md. Akther Hossain, Joint Director and Focal Point of the survey, members of the Steering Committee and other committees for all their hard works to ensure smooth completion of the survey.*

*I hope the data published in this report will be useful to the planners, policy makers, researchers and other stakeholders for formulating evidence-based policy to further develop the hotel and restaurant sector in Bangladesh.*

*Suggestions and comments will be highly appreciated for improvement of any future similar endeavours.*

*Dhaka  
June 2021*

*Mohammad Tajul Islam  
Director General*

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## Acknowledgements

*First of all, I would like to express my profound regards and gratitude to the Secretary, Statistics and Informatics Division (SID) and the Director General, Bangladesh Bureau of Statistics (BBS) for their numerous suggestions to improve the survey. Their experience of varying backgrounds, interest in and knowledge of the subject, helped to shape the text and numbers into its final form of Hotel and Restaurant Survey 2020.*

*I would like to extend my sincere gratitude to the Bangladesh International Hotel Association (BIHA) and Bangladesh Restaurant Owners Association for their assistance to completion of the survey smoothly. Supervising Officer, Supervisor and Data Collector deserves special thanks and appreciation for their generous cooperation to conduct the survey.*

*Special thanks to Mr. Ghose Subobrata, Deputy Director General, BBS and the members of the Steering Committee, PIC Committee, Editors Forum, Report Review Committee, Monitoring Committee, Working Group for their valuable inputs and guidelines in proper implementation of the survey. Mr. Kabir Uddin Ahmed, Director, Industry and Labour Wing deserves special thanks for developing the complex sample design, data processing, analysis and providing inputs and guide to improve the survey report.*

*Ms. Nila Priya Moyur, Statistical Officer; Ms. Tarana Nasrin, Programmer and Mr. Sohel Kudro, Assistant Programmer deserve heartfelt thanks for working relentlessly alongside me. I would also like to thank Mr. Syed Mohammad Abu Naser, Statistical Investigator; Mr. Md. Omar Faruk, Computer Operator; Mr. Abdus Samad Miah; Office Assistant cum Computer Operator; Mr. Md. Riyad Hossain, Stenotypist cum Computer Operator; Mr. Md. Harun Rashid, Office Assistant and Mr. Noor Mohammad, Office Assistant for their valuable administrative support and inputs throughout the survey. I owe a great debt to the members of the editorial committee of BBS and SID for editing the manuscript to finalize the report.*

*Despite taking every measure to ensure error-free texts and numbers, some errors may find their way into the report. We will be grateful for any comments or suggestions from the users to improve similar prospective reports in future.*

*Dhaka  
June, 2021*

*Md. Akther Hossain  
Focal Point &  
Joint Director, Industry and Labour Wing, BBS*

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## Hotel and Restaurant Survey 2020

### Key Findings

SI. No	Characteristics	Year			
		1992-93	2002-03	2009-10	2019-20
1	Number of establishments	117981	215103	275324	436274
2	Number of persons engaged by sex				
	Male	336616	471825	856321	1803753
	Female	6721	5878	47463	479779
	Total	343337	477703	903784	2283532
3	Employment cost (million taka)	2363	4012	35751	157674
4	Gross output (million taka)	30975	66472	351592	886431
5	Gross value added (million taka)	8277	66472	119861	879268
6	Average employment cost per establishment (000')	20.03	18.65	39.56	361.41
7	Employment cost per person per annum (Tk.)	6882	8399	39557	69048

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## Executive Summary

### **The Survey**

*Hotel and Restaurant Survey 2020 that mainly deals with the gross value added to the gross domestic product (GDP) in the economy.*

*Bangladesh Bureau of Statistics (BBS), the National Statistics Office of the country, with GoB budget has conducted the comprehensive survey “Hotel and Restaurant Survey 2020” in Bangladesh. The survey mainly deals with the gross value added to the gross domestic product (GDP) in the economy. In addition, the survey has collected information on various aspects of gross output, gross income, industrial cost, non-industrial cost, employment cost by category etc.*

### **Survey design**

*List and Area combine sampling method is used to conduct the survey. The field data collection is administered using (CAPI) during March-April 2021.*

*The sampling frame is developed using Economic Census 2013 database, Business Directory 2019 database and the updated list of Hotel and Restaurant at 500 sample mauza in 2020. The sample respondents were 6734 hotel and restaurant establishment and list and area combine sampling method is used. Field data collection is administered using Computer Assisted Personal Interviewing (CAPI) method during March-April 2021.*

### **Number of establishments**

*Refers to the number of establishment estimates from the survey.*

*According to the survey estimates, during the year 2019-2020, country’s total estimated hotel and restaurant establishment was 4.36 lac. Whereas, hotel and restaurant survey 2009-10 it was only 2.75 lac.*

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## **Number of persons engaged**

*It highlighted the distribution of persons engaged in hotel and restaurant establishment.*

*The estimated number of persons engaged in hotel and restaurant survey 2020 during the year 2019-2020 was 22.83 lac whereas in 2009-10 it was only 9.03 lac.*

## **Employment cost**

*Employment cost relates with the employment by category. Salary and wages, other cash benefits, other non-cash benefits are involved with the employment cost.*

*The estimated employment cost in hotel and restaurant survey 2020 during the year 2019-2020 was 157674 million taka whereas in 2009-10 it was only 35751 million taka.*

## **Gross Output**

*value of products and by-products calculated on the basis of sale value of goods manufactured plus other receipts for work done and services rendered to others, plus value of net change in work-in-progress.*

*The estimated gross output in hotel and restaurant survey 2020 during the year 2019-2020 was 886431 million taka whereas in 2009-10 it was only 351592 million taka.*

## **Gross Value Added**

*Contribution of hotel and restaurant to the gross domestic product (GDP) reflects with gross value added.*

*Contribution of hotel and restaurant to the gross domestic product (GDP) increasing periodically. Gross value added in 2009-10, it was 119861 million taka only, but after 10 years it is increased significantly and the gross value added in 2019-20 was 879268 Million taka. It shows that the hotel and restaurant sector expand rapidly in the economy and valuable contributions are made by this sector.*

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## CHAPTER-I

### 1. INTRODUCTION

#### 1.1 Background

Bangladesh is a rapidly growing market based economy where more than half of the GDP is generated by the service sector, while nearly half of the working people are employed in the agriculture sector. Overall, the country's GDP is estimated based on 21 (twenty one) major sectors. The Hotel and restaurant is an important component of the non-farm economic sector and BBS conducts surveys on it regularly and releases reports.

The Hotel and Restaurant Surveys-1992-93 and 2002-03 were conducted under the integrated programme of the Bangladesh Bureau of Statistics and data were published in the name of Annual Establishment Survey. The last survey of hotel and restaurant was conducted in 2009-10. But, hotel and restaurant survey 2020, the data were collected in the month of March-April 2021.

Hotel and restaurant data are needed for national accounting and other policy and management purposes.

#### 1.2 Objective of the survey

The main objective of the Hotel and Restaurant Survey 2020 is to provide annual estimates for the key variables. The indicators

- Value of products sold or manufactured and services rendered (gross output)
- Value of raw materials and other inputs (industrial cost)
- Operating cost
- Input cost
- Employment by sex and category
- Employment cost
- Value of inventories (change in stock)
- Fixed assets
- Capital expenditure
- Gross value added

The information obtained for hotel and restaurant sector is defined by an industry group following the Bangladesh Standard Industrial Classification (BSIC 2020).

#### 1.3 Sample design

The Hotel and Restaurant Survey 2020 was conducted on the basis of three independent frames: Economic Census -2013, Business Directory 2019 and Sample list frame.

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The last Economic Census was conducted in 2013 and covered all over the country. On the basis of Economic Census 2013, a list of hotel and restaurant establishments was prepared.

From Industry and labour wing of BBS, The Updated Business Directory was prepared having 10+ TPE (Total Person Engaged) of all establishments in the country. From which, we sorted out only hotel and restaurant establishment irrespective of manpower engaged.

A total of 500 Mauzas were Sampled to administer sample establishments having TPE less than 16 from Economic Census Mauza. Listing of establishments will be done for each selected mauza;

- Mauzas were selected proportionately (at least 1 mauza from each district) based on the concentration of establishments using three levels:
  - (1) Low concentration ( $\leq 10$  establishments, average 6 establishments) using Two stage selection-120 Mauza and then establishments using of SyRS, 5 establishments from each mauza;
  - (2) Medium concentration (11-50 establishments, average 25 establishments) using Two stage selection-200 Mauza and then establishments using of SyRS, 16 establishments from each mauza; and
  - (3) High concentration (51+ establishments, average 129 establishments) using Two stage selection-100 Mauza using PPS and then establishments SyRS, 25 establishments from each mauza;
  - (4) Mauzas with no establishments: 80 Mauzas will be selected and 2 establishments from each mauza to check the growth of establishments previously no establishments;
- (D) Follow up were done for the unsuccessful industry categories (4-digits level);

## 1.4 Enumerators/Supervisors

Efficient and experienced Junior Statistical Assistants, Statistical Assistants, Statistical Investigators and Thana Statistian were recruited as enumerators for data collection. These enumerators were selected from each district statistical office and head quarter by the District Statistical Officers. Divisional Statistical Officers, District Statistical Officers, Statistical Officers and Assistant Statistical Officers were engaged as supervising officer and supervisors.

## 1.5 Training of Survey Personnel

For conducting the nationwide survey properly, intensive training was provided to the survey personnel. Training was imparted at two stages. In the first stage, all divisional and district officers and some statistical and assistant statistical officer from head quarter were given one day training at Dhaka head office. In the second stage, intensive training was provided to 151 enumerators at Dhaka head office. Classroom training focused on the questionnaire, data collection procedure and methodologies of filling in of questionnaires through CAPI. Data collection through field visit was followed by discussion and the evaluation of field work was carried out based on the filled in questionnaires through CAPI. A verbatim type of training manual was prepared so that the enumerator could consult it for any problem faced during the data collection.

## 1.6 Field Operation

151 enumerators and 80 supervising officers and supervisors were engaged for data collection and supervision. In each sample area, each enumerator collected information through CAPI using tablet. The field operation was conducted from 27th March to 10th April 2021. At the time of field operation, supervising officers and supervisors verified and edited the data that were collected by the enumerators at the field level.

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## CHAPTER-I I

### CONCEPTS AND DEFINITION

#### **1. Economic activity**

All legal activities undertaken for profit or own account is an economic activity. Such activities shall refer to production, distribution, marketing, and sales of goods and services.

#### **2. Establishment**

The basic unit involved in economic activity is called establishment. It is usually a combination of both activities and resources under a single ownership and location.

#### **3. Unit**

A unit is a household, establishment, institution or any other single physical location at which any economic or social activity relating to procurement, production, sale, distribution, etc. of all kinds of materials, goods and services can take place.

#### **4. Permanent establishment**

Economic units having fixed location and permanent structure is referred to as the permanent establishment. Permanent establishment is organized in a permanent structure.

#### **5. Permanent structure**

A structure which has a fixed location and permanent shed, wall and fence is called a permanent structure. It may be a building, tin shed or a hut or parts there off.

#### **6. Hotels and Restaurants.**

Establishment primarily relating to the sale of prepared food and drinks for immediate consumption and providing temporary lodging referred to as hotels and restaurants

#### **7. Legal status**

It is the way an establishment's economic activities are conducted on a legal basis. For example, whether an establishment registered following the country's law. An establishment may be take different forms: one person ownership, partnership, co-operative society, autonomous corporation, private limited company and public limited company.

#### **8. Individually owned**

An individually owned establishment is owned and run by a person or family that earns the profits or bears the loss of the establishment.

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## 9. Partnership

A partnership establishment is an economic establishment created by an agreement. Its members will be more than two and less than twenty in number but in banking business, number of members will not be more than ten.

## 10. Private Limited Company

A company which has no right to transfer the shares of its members to others according to the "Articles of Association". The number of members must be at least two but not more than fifty, whereas and the employees are not regarded as members. The public may not be asked to buy the company's shares and debentures.

## 11. Public Limited Company

A company incorporated under the Companies Act 1913 or recognized thereby as an existing company, which is not a private company. A public company can have any number of members, excluding of course, its employees and can invite public subscription for its shares and debentures. Public company may be a company limited by shares or a company limited by guarantee or an unlimited company.

## 12. Autonomous Corporation

Establishments in the public sector established under law and controlled by their own budget are called autonomous corporation, such as, universities, municipalities, insurance, bank etc. All of their authorities and powers are contained in the law by which they are created.

## 13. Co-operative Society

It is not operated for the purpose of earning profit but rather for the purpose of providing services to its members. In the co-operative society the capital needed is supplied by the members and by borrowing and savings are distributed to members on the basis of patronage.

## 14. Total Person Engaged (TPE)

The total person engaged (TPE) of an establishment includes proprietors or partners engaged, full time workers, part time workers, irregular workers and unpaid family workers. So, the total person engaged includes five mutually exclusive categories of workers.

## 15. Average Person Engaged (APE)

It is the total person engaged divided by number of establishments.

## 16. Proprietor/Partner

Proprietor/partner is actively engaged in managing or operating the economic activity of the establishment. No one is treated as working proprietor/partner for a public limited company, autonomous company, autonomous body, cooperative society or public owned establishment.

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## **17. Administrative, Executive and Clerical Employees**

Include all classes of permanent and salaried employees and officers engaged in economic activities of the establishment, such as managers, accountants, clerks, typists, etc.

## **18. Cook, waiter and service workers**

This includes those workers, who are directly engaged in manufacturing selling or servicing in exchange for salaries. Working supervisors engaged in such activities are also included in this category.

## **19. Unpaid Family Workers**

Any family member of the proprietor or partners, if works in the unit usually without salary or wage in return, is an unpaid family worker. There shall be no unpaid family workers for a unit of the government, autonomous bodies or an co-operative ownership.

## **20. Wage Employment**

Wage employment includes full time, part time and irregular workers paid in cash.

## **21. Non-wage Employment**

Non-wage employment includes proprietor/partners and unpaid family members.

## **22. All Employees**

Comprise both salaried employees and production workers. Salaried employees include administrative and managerial workers, clerical workers, cooks, waiters and service workers.

## **23. Wages and Salaries**

Include all cash payments (monthly salary + house rent + medical allowance + other allowances), made during the year in case as compensation for work done but does not include other cash and non-cash benefits.

## **24. Other Cash Benefits**

Include other monetary benefits such as education cost, hospital cost, bonus, etc. given to the employees in addition to wages and salaries.

## **25. Other Non-cash Benefits**

Include the material goods and other benefits given to the employees, in addition to their salaries and wages, and cash benefits such as food and food article, clothing, housing accommodation, transport, etc, which is free of cost or at a price lower than the market value. This excludes employer's contribution to provident fund, person's gratuity or other social security measures.

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## **26. Number of Working Days**

Comprise the number of days in which any business process is carried out, and days spent exclusively for repair and maintenance of fixed assets. Total man days worked equals = total working days in a year x average number of working persons per day.

## **27. Average Weekly Hours**

Average weekly hours of work mean the hours worked on the activity during a typical week. These hours exclude meal breaks, time spent on travel from home to work and hours paid for but not worked (such as paid leave/public holiday/sick leave).

## **28. Manufactured Goods**

Mean those goods that are produced during the reference period and are ready for sale.

## **29. By-product**

Means the goods of some value that are produced by the factory while producing the principal items such as molasses produced during the production of sugar in a sugar mill.

## **30. Stock**

Stock refers to inventories of inputs such as raw materials, fuel, packing materials, lubricants, etc. and finished and semi-finished goods.

## **31. Work in Progress**

It means value of all materials, which have been partially processed and are not usually sold without further processing.

## **32. Depreciation**

Depreciation means an accounting item to set aside an allowance to cover the cost of wear and tear of the fixed asset used in manufacturing during the year.

## **33. Fuels**

These include all purchased fuels except those that are used as raw materials or chemicals.

## **34. Indirect Tax**

Include all taxes incidental to the production or sale of goods and services by the reporting establishment and chargeable as expense of production. These taxes include those invoiced by the reporting establishment to its customers (commodity taxes) and those paid by the reporting establishment (non-commodity taxes).

## **35. Ex-factory Value**

The cost required for the production of one unit of goods through manufacturing process in an industrial establishment is ex-factory value

## **36. Fixed Assets**

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Include depreciated book values of fixed assets as on the closing date of the year of the establishment. Fixed assets cover all goods with a normal economic life of one year or more procured out of its own resources for its own use. They include land, building, and improvement of land, plant, manufacturing tools, transport equipments and other fixed assets.

## **37. Capital Expenditure Addition to Fixed Assets**

Composed of values of all fixed assets, whether fully paid or not, received during the reference year and value of major additions, alternations and improvements to assets, which extend their normal economic life or raise their productivity.

## **38. Employment Cost**

It includes all payments, whether in cash or kind, made by the employer. It includes all cash payments, bonuses, cost of living allowances, vacation and sick leave benefits, social insurance contribution, pension, etc.

## **39. Industrial Cost**

Industrial cost includes the cost of materials and supplies that have been physically incorporated or used in the products and by products, cost of fuel and electricity used for manufacturing purpose, as well as payment for work done by others.

## **40. Non- industrial Cost/Operating Expenses**

It includes payment for water charges, printing and stationery, advertising, insurance, postage, telegraph and telephone, banking, legal and accounting services rendered to the establishment and also amount paid for technical know-how and consultative services. It excludes interest paid to bank.

## **41. Cost of Production**

Cost of production includes industrial cost, non-industrial cost, employment cost and indirect taxes.

## **42. Gross Output**

Ex-factory value of products and by-products calculated on the basis of sale value of goods manufactured plus other receipts for work done and services rendered to others, plus value of net change in work-in-progress.

## **43. Indirect Tax**

In direct taxes include license fee, vat and sale tax only

## **44. Gross Value Added**

Gross output minus the industrial cost

## **45. Value Added at Factor Cost**

Gross value added minus operating expenses or non-industrial cost and indirect tax net of subsidies.

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