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ABOUT TOURISM SATELLITE ACCOUNTS

Travellers participate in many different activities during their trip, from shopping, eating out and visiting attractions to using transport and staying in accommodation. As a result, the impacts of tourism occur across many industries and can’t be measured in the same way as other parts of the economy. This is where the Australian Bureau of Statistics’ (ABS) Tourism Satellite Accounts (TSA) come in. The TSA, part of the Australian National Accounts, estimate the impact of tourism on the Australian economy. They use an internationally accepted methodology developed by the Organisation for Economic Cooperation and Development (OECD) and the World Tourism Organization (UNWTO).

Underlying assumptions used in the TSA are revised by the ABS from time to time (the benchmarking process) to reflect the changing relationship between tourism and the wider economy. Last undertaken in 2019, benchmarking ensures the satellite accounts accurately reflect the changing nature of the tourism sector.

ABOUT STATE TOURISM SATELLITE ACCOUNTS (THIS REPORT)

Tourism Research Australia (TRA) produces the State Tourism Satellite Accounts (STSA), which are an extension of the national TSA methodology. The STSA show the importance of tourism to the economy of each of Australia’s states and territories by presenting key data on consumption, employment and economic activity.

While the report focuses on how the data changed during 2017–18, it also examines longer term changes from 2007–08 to 2017–18, along with the indirect effects of tourism across the wider economy.

Estimates from this report are consistent with the national TSA produced by the ABS each year.

The STSA is also reliant on a range of other statistics, which are subject to revision from time to time. In particular, STSA inputs that have recent revisions include:

- TRA’s National Visitor Survey (NVS)
- ABS’ TSA results (against which STSA results are benchmarked for consistency)
- ABS’ Labour Force Survey (which forms the basis for tourism employment estimates).

Definitions used in this report

**Consumption:** Visitor spend, plus adjustments for imputed consumption, such as rents on holiday homes or a visit to a museum or art gallery where entry is subsidised.

**Gross Domestic Product (GDP):** The total value of all economic activities at the national level. This enables tourism to be compared with other industries and for the growth in tourism to be measured. Gross State Product (GSP) is a similar measure to GDP, produced at the state and territory level.

**Gross Value Added (GVA):** The economic value generated by the production and delivery of goods and services. GVA is similar to GDP and GSP, however, unlike these two measures it does not include taxes paid in the production of goods and services.

**Employment:** The number of persons employed in full-time and part-time jobs.

**Direct and indirect contribution of tourism:** A direct contribution occurs when visitors purchase goods and services directly from the provider. For example, buying a coffee from a café has a direct impact on Australia’s accommodation and food services sector. Beyond this are indirect impacts on the agricultural sector that grew the coffee ingredients, the wholesale sector selling the produce, and the transport sector delivering this produce to the café.

Due to these revisions, historical data from this report will differ from previous editions. Please see Explanatory notes for more information.
TOURISM CONSUMPTION

CONSUMPTION GROWTH

Total tourism consumption for 2017–18 was $143 billion, up 6.8% on the $134 billion figure for 2016–17. In the decade between 2007–08 and 2017–18, consumption increased 49.5% – an average annual growth rate of 4.1%.

Three-quarters (75%) of this consumption was in New South Wales (NSW) ($42.5 billion), Victoria ($33.1 billion), and Queensland ($32.6 billion). Western Australia (WA) ($16.0 billion) and South Australia (SA) ($8.4 billion) accounted for a further 17%. Tasmania ($4.4 billion), Northern Territory (NT) ($3.3 billion) and Australian Capital Territory (ACT) ($3.1 billion) accounted for the remaining 8% of consumption.

All states and territories reported consumption growth in 2017–18, with annual growth rates ranging from 3.8% to 11.2%. Each of the states/territories saw the following results:

Above average growth:
- ACT – up 11.2% from $2.8 billion to $3.1 billion
- Tasmania – up 10% from $4.0 billion to $4.4 billion.

Average growth:
- Queensland – up 7.6% from $30.3 billion to $32.6 billion
- Victoria – up 7.4% from $30.9 billion to $33.1 billion
- SA – up 6.8% from $7.9 billion to $8.4 billion
- NSW – up 6.6% from $39.8 billion to $42.5 billion.

Below average growth:
- NT – up 4.2% from $3.2 billion to $3.3 billion
- WA – up 3.8% from $15.4 billion to $16.0 billion.

TABLE 1 NATIONAL CONSUMPTION FOR DOMESTIC AND INTERNATIONAL MARKETS, 2017–18

<table>
<thead>
<tr>
<th>CONSUMPTION</th>
<th>SHARE OF NATIONAL CONSUMPTION</th>
<th>% CHANGE ON PREVIOUS YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic overnight</td>
<td>$81.9b</td>
<td>57%</td>
</tr>
<tr>
<td>Day trips</td>
<td>$24.1b</td>
<td>17%</td>
</tr>
<tr>
<td>International</td>
<td>$37.4b</td>
<td>26%</td>
</tr>
</tbody>
</table>

International consumption grew at a faster rate than domestic consumption (Table 1) during 2017-18. This was reflected at the state and territory level with growth in international consumption significantly outpacing domestic growth for most jurisdictions (Figure 1).
LONG-TERM CHANGE

Between 2007–08 and 2017–18, international consumption grew by 64% from $22.7 billion to $37.4 billion. This growth outpaced both the 44% growth in domestic overnight consumption ($56.7 billion to $81.9 billion) and the 47% growth in day trip consumption ($16.4 billion to $24.1 billion).

The consumption share for states and territories also varied according to visitor category (Figure 2):

- Day trips accounted for a greater share of consumption for SA, Victoria, NSW, WA and Tasmania.
- Domestic overnight and total domestic (overnight plus day trips) accounted for a greater share of consumption for Queensland, SA, WA, Tasmania, NT and ACT.
- International visitors accounted for a greater share of consumption for NSW and Victoria.

FIGURE 2: TOURISM CONSUMPTION BY VISITOR CATEGORY AND STATE/TERRITORY, 2017–18
Results for the period 2007–08 to 2017–18 saw well above average growth in:

- day trip consumption for Tasmania (up 81%), NT (up 70%), WA (up 68%) and SA (up 60%)
- domestic overnight consumption for WA (up 84%)
- international consumption for ACT (up 154%), Victoria (up 128%) and Tasmania (up 104%).

In contrast, well below average growth was reported in:

- day trip consumption for ACT (up 18%) and NSW (up 36%)
- domestic overnight consumption for Queensland (up 27%)
- international consumption for NT (down 2.8%), WA (up 14%) and Queensland (up 35%).
THE ECONOMIC IMPACT OF TOURISM

GROWTH IN GVA AND GDP

Total tourism GVA for 2017–18 was $52.6 billion, up 7.1% on 2016–17. Growth in tourism GDP was similar – up 7.1% to $57.3 billion. This was well ahead of the 4.7% growth in national GDP during the year. Due to this strong growth, tourism held an increasing share of economic activity. In 2017–18, tourism accounted for a 3.1% share of national GDP compared with a 3.0% share in 2016–17 and 2.8% in 2012–13.

As with consumption, most of the GVA associated with tourism is concentrated in NSW, Victoria and Queensland. Collectively, these three states accounted for 76% of Australia’s tourism GVA. Growth in GVA was highest for ACT (up 11.2%), Tasmania (up 10.2%), Queensland (up 8.1%) and Victoria (up 7.8%) (Figure 3).

Choosing between GVA and GDP/GSP

GVA is a less familiar economic measure than GDP and GSP (the state equivalent of national GDP). However, economists acknowledge that GVA is a more accurate measure as it excludes taxes paid and accounts for the impact of subsidies. Both subsidies and taxes will vary across industries and states/territories, masking the true value of an economic activity. Therefore, GVA is the preferred way of reporting on the economic value and growth of tourism for different states and territories, and for comparing different industries.

However, when comparing the importance of tourism relative to the national or state and territory economy, GDP data is generally more widely available and, therefore, more frequently used.

FIGURE 3: SHARE OF TOURISM GVA BY STATE/TERRITORY, 2017–18 COMPARED TO 2016–17
The economic importance of international versus domestic tourism varies across states and territories (Figure 4).

- International tourism is a more significant component of the visitor economy for Victoria, NSW, and ACT – accounting for 34%, 32% and 31% of GVA respectively.
- Domestic overnight tourism is more significant for NT, WA, and Tasmania – accounting for 74%, 71% and 68% of GVA respectively.
- Day trips feature prominently for SA and Tasmania – accounting for 13% and 11% of total GVA respectively.

**FIGURE 4: SHARE OF STATE GVA BY VISITOR CATEGORY, 2017–18**

<table>
<thead>
<tr>
<th>State</th>
<th>Domestic Overnight</th>
<th>Domestic Day Trips</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>57%</td>
<td>10%</td>
<td>32%</td>
</tr>
<tr>
<td>VIC</td>
<td>55%</td>
<td>10%</td>
<td>34%</td>
</tr>
<tr>
<td>QLD</td>
<td>65%</td>
<td>10%</td>
<td>25%</td>
</tr>
<tr>
<td>SA</td>
<td>65%</td>
<td>13%</td>
<td>21%</td>
</tr>
<tr>
<td>WA</td>
<td>71%</td>
<td>10%</td>
<td>19%</td>
</tr>
<tr>
<td>TAS</td>
<td>68%</td>
<td>11%</td>
<td>21%</td>
</tr>
<tr>
<td>NT</td>
<td>74%</td>
<td>4%</td>
<td>21%</td>
</tr>
<tr>
<td>ACT</td>
<td>62%</td>
<td>7%</td>
<td>31%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>61%</td>
<td>10%</td>
<td>28%</td>
</tr>
</tbody>
</table>
Due to differing growth rates across states and territories, the share of national tourism GVA has changed since 2007–08. Victoria, SA and WA now account for a substantially greater share of national GVA, while share fell noticeably for NSW and Queensland (Figure 5).

**INDIRECT EFFECTS**

Tourism also has a significant indirect effect on the economy. For example, purchasing a meal from a hotel will have a direct impact on Australia’s accommodation and food services sector. Beyond that, however, there are also indirect impacts on the agricultural sector that grows the produce; the transport sector that delivers the produce; and the wholesale sector that sells the produce on to the hotel. When these indirect effects are factored in, tourism accounts for a 6.3% share of national economic activity as measured by GDP. For individual states and territories, the GSP share ranges from 5.0% for WA to 10.3% for Tasmania (Figure 6).
TOURISM EMPLOYMENT

EMPLOYMENT GROWTH

In the same way that tourism has direct and indirect economic impacts, there are also direct and indirect employment effects. As a result, tourism generates employment across many different industries. This includes industries strongly associated with tourism such as accommodation, food services and retail trade, plus other industries such as agriculture and manufacturing which are indirectly impacted by tourism.

Turning to direct impacts first, tourism employed 646,000 workers in 2017–18 – up 4.6% from the 618,000 employed in 2016–17. This is above the 3.0% employment growth in the Australian workforce over the same period and equivalent to one-in-nineteen Australian workers. The figure increases to 996,000 workers – around 8% of the national workforce – when indirect effects are applied.

At the state and territory level, all jurisdictions increased employment in 2017–18 (Table 2), ranging from 1.8% growth for WA to 9.2% for ACT. Growth in direct employment ranged between 0.7% and 8.7%, while indirect growth was between 4.2% and 10.2%.

Tourism is especially important in Tasmania and NT as a source of employment. In Tasmania, tourism directly employed 8.7% of all workers and a further 8.5% indirectly. The NT saw 7.1% of total workers directly employed in the industry, and a further 5.4% indirectly employed.

Other states and territories with workforces that have a high reliance on tourism include Queensland, ACT and WA, where total employment (direct and indirect) accounts for 9.6%, 8.5% and 8.2% of their respective workforces.

WORKFORCE STRUCTURE

Due to both the seasonal nature of the industry, the types of roles on offer, and a predominantly female workforce, tourism has a high proportion of part-time workers. In 2017–18, part-time workers made up 47% of the tourism workforce – well above the national figure of 31%.

The over-representation of part-time workers was evident across all states and territories – ranging from 36% in NT to 55% in Tasmania (Figure 7).

TABLE 2: GROWTH IN TOURISM EMPLOYMENT BY STATE/TERRITORY, 2017–18 COMPARED TO 2016–17

<table>
<thead>
<tr>
<th></th>
<th>DIRECT EMPLOYMENT ('000)</th>
<th>INDIRECT EMPLOYMENT ('000)</th>
<th>TOTAL EMPLOYMENT ('000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>183 ▲ 4.4%</td>
<td>95 ▲ 6.6%</td>
<td>278 ▲ 5.2%</td>
</tr>
<tr>
<td>VIC</td>
<td>156 ▲ 5.2%</td>
<td>76 ▲ 7.3%</td>
<td>233 ▲ 5.9%</td>
</tr>
<tr>
<td>QLD</td>
<td>151 ▲ 5.6%</td>
<td>85 ▲ 7.2%</td>
<td>236 ▲ 6.2%</td>
</tr>
<tr>
<td>SA</td>
<td>39 ▲ 4.3%</td>
<td>22 ▲ 6.6%</td>
<td>61 ▲ 5.1%</td>
</tr>
<tr>
<td>WA</td>
<td>73 ▲ 0.7%</td>
<td>36 ▲ 4.2%</td>
<td>109 ▲ 1.8%</td>
</tr>
<tr>
<td>TAS</td>
<td>22 ▲ 7.7%</td>
<td>21 ▲ 7.8%</td>
<td>43 ▲ 7.8%</td>
</tr>
<tr>
<td>NT</td>
<td>10 ▲ 1.5%</td>
<td>7 ▲ 4.9%</td>
<td>17 ▲ 2.9%</td>
</tr>
<tr>
<td>ACT</td>
<td>12 ▲ 8.7%</td>
<td>7 ▲ 10.2%</td>
<td>19 ▲ 9.2%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>646 ▲ 4.6%</td>
<td>350 ▲ 6.7%</td>
<td>996 ▲ 5.3%</td>
</tr>
</tbody>
</table>
While tourism cuts across twelve different industries, just three industries – Accommodation, Retail, and Cafés, restaurants and takeaways – account for 63% of all direct employment nationally (Figure 8). These industries have a greater share of employees in Tasmania, ACT and SA.

**FIGURE 8: INDUSTRY CONTRIBUTION BY STATE AND TERRITORY TO DIRECT TOURISM EMPLOYMENT, 2017–18**

<table>
<thead>
<tr>
<th>State/Territory</th>
<th>Accommodation</th>
<th>Cafés, Restaurants &amp; Takeaways</th>
<th>Retail Trade</th>
<th>Education and Training</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>14%</td>
<td>32%</td>
<td>17%</td>
<td>10%</td>
<td>27%</td>
</tr>
<tr>
<td>VIC</td>
<td>13%</td>
<td>34%</td>
<td>16%</td>
<td>11%</td>
<td>27%</td>
</tr>
<tr>
<td>QLD</td>
<td>13%</td>
<td>33%</td>
<td>16%</td>
<td>8%</td>
<td>30%</td>
</tr>
<tr>
<td>SA</td>
<td>11%</td>
<td>34%</td>
<td>21%</td>
<td>7%</td>
<td>28%</td>
</tr>
<tr>
<td>WA</td>
<td>14%</td>
<td>33%</td>
<td>16%</td>
<td>7%</td>
<td>30%</td>
</tr>
<tr>
<td>TAS</td>
<td>15%</td>
<td>39%</td>
<td>16%</td>
<td>5%</td>
<td>25%</td>
</tr>
<tr>
<td>NT</td>
<td>15%</td>
<td>30%</td>
<td>15%</td>
<td>6%</td>
<td>34%</td>
</tr>
<tr>
<td>ACT</td>
<td>17%</td>
<td>32%</td>
<td>17%</td>
<td>14%</td>
<td>21%</td>
</tr>
</tbody>
</table>
Meanwhile, these states and territories had an over representation of tourism workers in the following industries:

- NSW – Accommodation (25,600 workers), and Education and training (18,000 workers)
- Victoria – Cafés, restaurants and takeaway food services (43,800), and Education and training (16,900)
- Queensland – Air, water and other transport (11,000), and Road transport services (7,500)
- SA – Retail trade (8,100), and Cafés, restaurants and takeaway food services (10,900)
- WA – Travel agencies and tour operators (8,100), and Cafés, restaurants and takeaway food services (20,300)
- Tasmania – Cafés, restaurants and takeaway food services (7,000), and Cultural services (1,200)
- NT – Air, water and other transport (1,100), and Accommodation (1,400)
- ACT – Education and training (1,700), and Accommodation (2,000).

### LONG-TERM CHANGE

As Australia’s tourism industry has grown, it has become an increasingly important source of employment for Australian workers. Between 2007–08 and 2017–18, the number of workers directly employed in tourism has grown by 26%. When indirect effects are factored in, Australia’s tourism workforce has grown by 34% over the same period.

Across Australia, total (direct and indirect) employment growth over this ten-year period was strongest for Victoria and ACT (up 50% each), WA (up 49%), and Tasmania (up 46%) (Figure 9).

For more information, go to [www.tra.gov.au](http://www.tra.gov.au).