

Regional Tourism Satellite Account

Southern Tasmania 2015-16

In 2015-16, the tourism industry contributed an estimated \$1.1 billion to the Southern Tasmania regional economy (7.9% of gross regional product) and directly employed approximately 8,300 people (6.8% of regional employment).

Tourism Satellite Accounts (TSA) evaluates the tourism industry activity and performance within a national accounting framework. The regional TSA measures both the direct and indirect impacts of tourism on the economy and includes metrics such as Gross Value Added (GVA), Gross Regional Product (GRP) and employment. It also provides information about tourism consumption, output, taxation and the composition of the tourism industry and its interaction with other industries.

This Southern Tasmania regional profile ranks the economic contribution of tourism to the region both in absolute level terms and as a contribution to the regional economy. These measures are directly comparable to State, National, and indeed, international Tourism Satellite Accounts.

Key aggregates

In 2015-16, the tourism activity in Southern Tasmania generated:

Tourism output

- \$1,277.4 million and \$881.4 million in direct and indirect tourism output, and \$2,158.4 million in total tourism output.

Gross Value Added (GVA)

- \$615.2 million and \$357.8 million in direct and indirect tourism GVA, and \$973.0 million in total tourism GVA.

Gross Regional Product (GRP)

- \$674.1 billion and \$411.1 billion in direct and indirect tourism GRP and \$1,085.2 billion in total tourism GRP; and

Employment

- 8,300 jobs for people employed directly by the tourism industry, 5,600 indirect jobs and a total employment impact of 13,900 people.

Table 1.1 Key tourism aggregates (\$ million)

Visitor segment	Consumption	Output	GVA	GRP	Employed ('000)
Day-trippers	291.9	134.2	67.7	68.0	
Intrastate	340.3	293.4	140.7	175.8	
Interstate	921.6	584.8	270.3	255.1	
International	417.3	265.0	136.5	175.2	
Direct	1,971.1	1,277.4	615.2	674.1	8.3
Indirect*		881.1	357.8	411.1	5.6
Total impact		2,158.5	973.0	1,085.2	13.9
Total economy			12,806.8	13,675.0	122.2

Source: Deloitte Access Economics' Regional TSA model.

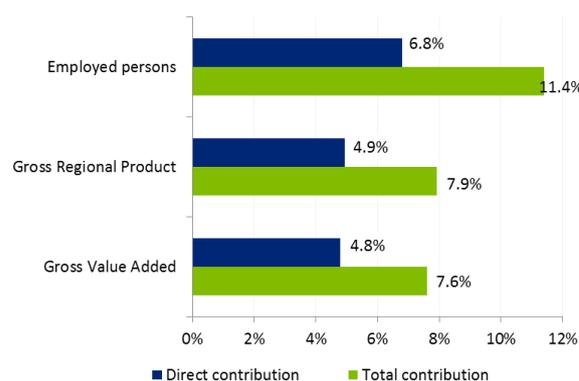
* Regional indirect contribution does not include regional contribution to the rest of Australia. Total indirect contribution in the State Tourism Satellite Account however includes contribution to the rest of Australia.

Economic importance of tourism in the region

The ratio of Southern Tasmania's direct tourism contribution to the total regional economy aggregates provides a point of reference snapshot for the importance of tourism to the region. In 2015-16, it is estimated that tourism directly represented 4.9% of the total Southern Tasmania economy (in GRP terms).

Southern Tasmania ranked 4th overall in the comparative importance of tourism across Tasmania's regions. However, Southern Tasmania ranked 1th in overall industry size; supplying more than half of the state-wide direct contribution of tourism to GRP (50.6%).

Chart 1.1: Tourism's contribution to the regional economy, 2015-16



Source: Deloitte Access Economics' Regional TSA model.

Research factsheet - Value of tourism to Southern Tasmania

Tourism related industry profile

The tourism products that contributed the most to tourism consumption in Southern Tasmania in 2015-16 were: (1) \$432.3 million on long distance passenger transportation; (2) \$310.3 million on accommodation services; and (3) \$305.0 million on takeaway and restaurant meals.

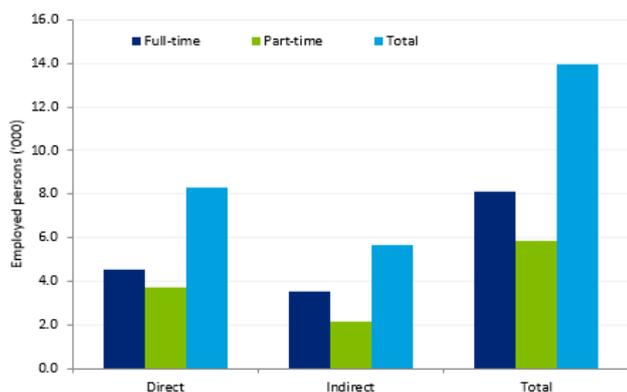
In terms of overall economic contribution, the tourism industries that generated the highest economic benefit to Southern Tasmania in 2015-16 were:

- Accommodation with \$135.9 million in direct GVA and \$150.4 million in direct GRP;
- Cafes, restaurants and takeaway food services with \$89.8 million in direct GVA and \$98.6 million in direct GRP.
- Ownership of dwellings with \$82.4 million in direct GVA and \$91.0 million in direct GRP.

Tourism employment

The TSAs define tourism employment as the number of tourism employed persons. In 2015-16 there were 8,300 persons (made up of 4,570 full-time and 3,730 part-time) directly employed in tourism in Southern Tasmania.

Chart 1.2: Contribution of tourism to employment, 2015-16



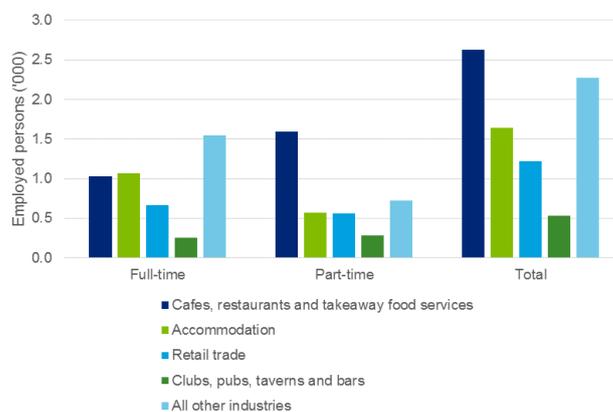
Source: Deloitte Access Economics' Regional TSA model.

The tourism related industries that contributed most to regional tourism employment in Southern Tasmania in 2015-16 were:

- Cafes, restaurants and takeaway food services (1,030 full-time and 1,600 part-time employed persons);
- Accommodation (1,070 full-time and 570 part-time employed persons); and

- Retail trade (660 full-time and 560 part-time employed persons).

Chart 1.3: Direct tourism employed persons, 2015-16



Source: Deloitte Access Economics' Regional TSA model.

Regional tourism profile

In 2015-16, visitors to Southern Tasmania contributed a total of \$2.0 billion in tourism consumption to the regional economy. The majority of visitor consumption in the region was contributed by interstate overnight visitors (\$921.6 million). However, in relative terms, intrastate overnight visitors to Southern Tasmania spend the most per night (\$318.6) on average.

Table 1.2: Tourism activity summary

Visitor segment	Nights ('000)	Nights (%)	Consumption (\$ million)	Consumption (%)	\$ per night
Day-trippers	2,111	25.0	291.9	14.8	138.3
Intrastate	1,068	12.6	340.3	17.3	318.6
Interstate	3,334	39.5	921.6	46.8	276.4
International	1,933	22.9	417.3	21.2	215.9

Source: Tourism Research Australia Visitor Surveys and Deloitte Access Economics' Regional TSA model.

Research factsheet - *Value of tourism to Southern Tasmania*

Methodology

Tourism Tasmania has worked with Deloitte Access Economics to produce consistent and comparable regional Tourism Satellite Account (TSA) estimates of the value of tourism to Tasmania's regions.

Tourism Satellite Accounts are used to estimate the contribution of tourism to a region by combining the contributions of the various goods and services that make up the industry. The regional, state and national estimates are based on an internationally recognised and standardised framework (although regional TSA methodology has been extended to determine the indirect impact of cross region trade flows).

There are a number of steps required to calculate the tourism industry's contribution to Southern Tasmania's economy. To start, a regional tourism consumption bundle is derived from TRA visitor survey data and adjusted to remove any price effects that are not directly attributed to the seller of the good or service (e.g. taxes, transport margins, pre-manufactured inputs etc.). The direct and indirect contributions of tourism are estimated by using regional input-output multiplier tables, derived from ABS data.

For consistency and assurance, the regional results are calibrated against the reported 2015-16 state TSA data.

Tourism Standard Reporting

For consistency in reporting, when referring to the overall size or contribution of the tourism industry in a region, the appropriate measure is GRP. GVA should be used when comparing the tourism industry against another industry within the same region.

Glossary

Direct contribution of tourism: The contribution generated by transactions between the visitor and producer for a good or service that involves a direct physical or economic relationship.

Indirect contribution of tourism: The subsequent flow-on effects created by the requirement for inputs from those industries supplying goods and services to visitors. For example, in the case of the hotel industry this might include the fresh produce supplied to a hotel and the electricity used.

Input-output table: An input-output table is a means of presenting a detailed analysis of the process of production and the associated use of goods and services and income generated. National input-output tables are produced annually by the Australian Bureau of Statistics.

Tourism gross regional product: Tourism GRP is tourism GVA plus net taxes on products that are attributable to the tourism industry. As such direct tourism GRP will generally have a higher value than direct tourism GVA. Direct tourism GRP is a satellite account construct to enable a direct comparison with the most widely recognised national accounting aggregate, gross domestic (or regional) product.

Tourism gross value added: Considered the most accurate measure of the contribution of the industry to the economy. It includes the total labour income and capital revenue received by the industry and the net taxes that government received from the production. This measure is directly comparable with the value added of 'conventional' industries such as mining and manufacturing and can also be used for comparisons across countries.

Tourism output: The total value of goods and services produced in Australia to satisfy visitor consumption. It is measured in basic prices, so it excludes net taxes on tourism products.