

Central Coast Tourism Satellite Account

2015-16

In 2015-16, the tourism industry contributed an estimated \$796 million to the Central Coast regional economy (6.3% of Central Coast's gross regional product) and directly employed approximately 6,200 people (5.1% of Central Coast's employment).

Tourism Satellite Accounts (TSA) evaluate 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 Central Coast regional profile measures 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 Central Coast (Table 1.1) generated:

Tourism output

- \$724 million and \$762 million in direct and indirect tourism output, and \$1,486 million in total tourism output.

Gross Value Added (GVA)

- \$388 million and \$326 million in direct and indirect tourism GVA, and \$714 million in total tourism GVA.

Gross Regional Product (GRP)

- \$422 million and \$374 million in direct and indirect tourism GRP and \$796 million in total tourism GRP; and

Employment

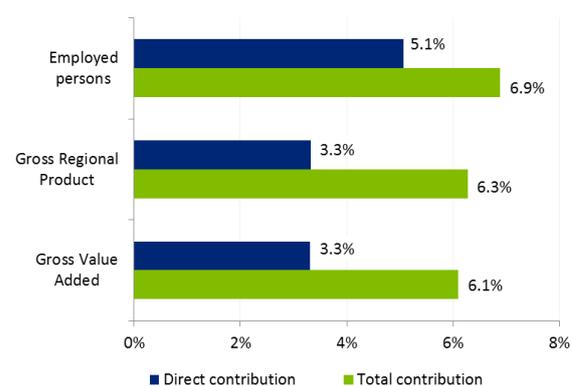
- 6,200 jobs for people employed directly by the tourism industry, 2,200 indirect jobs and a total employment impact of 8,500 people.

Economic importance of tourism to Central Coast

The ratio of Central Coast's direct tourism contribution to Central Coast's total regional economy provides a point of reference snapshot for the importance of tourism to the region. In 2015-16, it is estimated that tourism directly represented 3.3% (Chart 1.1) of the total the Central Coast economy (in GRP terms), compared to 4.0% for regional New South Wales.

The Central Coast region has a strong tourism sector that operates in a diverse economy that is also supported by strong mining, construction, wholesale trade, and services industry presence. The Central Coast region represents about 2.6% of the state-wide direct contribution of tourism to GRP.

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



Source: Deloitte Access Economics' Regional TSA model.

Table 1.1: Key tourism aggregates, Central Coast, 2015-16 (\$ million)

Visitor segment	Consumption	Output	GVA	GRP	Employed ('000)
Day-trippers	338	165	87	89	
Intrastate	653	311	163	178	
Interstate	124	124	66	78	
International	45	124	72	77	
Direct	1,160	724	388	422	6.2
Indirect*		762	326	374	2.2
Total impact		1,486	714	796	8.5
Total Central Coast economy			11,710	12,673	122.9

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.

Consumption

In 2015-16, tourism consumption in Central Coast was \$1.2 billion, equal to 3.0% of total tourism consumption in New South Wales. The Central Coast makes up a bigger share of consumption at the state level for day-trippers (5.1%) and intrastate overnight visitors (5.6%).

In the year to 2015-16, Central Coast tourism consumption increased by 3.1%. Since 2006-07, regional tourism consumption has increased by 11.6%, representing an average growth rate of 1.2% per annum. Central Coast's share of New South Wales tourism consumption has decreased over the last year, from 3.1% in 2014-15 to 3.0% in 2015-16.

At the industry level, the tourism products that contributed most to tourism consumption in Central Coast in 2015-16 were: (1) \$211 million on takeaway and restaurant meals; (2) \$144 million on long distance passenger transportation; and (3) \$138 million on shopping (Table 1.2).

Total consumption of these products equates to \$493 million or 43% of the total Central Coast tourism consumption.

Table 1.2: Tourism consumption by product, Central Coast, 2015-16

Tourism product	Consumption (\$ million)	Share of total (%)
Takeaway and restaurant meals	211	18.2
Long distance passenger transportation	144	12.4
Shopping (including gifts and souvenirs)	138	11.9
Fuel (petrol, diesel)	136	11.7
Accommodation services	99	8.5
All other	432	37.2
Total - tourism	1,160	100.0

Source: Deloitte Access Economics' Regional TSA model.

In 2015-16, the majority (56%) of visitor consumption in Central Coast was contributed by intrastate overnight visitors (\$653 million). In relative terms, interstate overnight visitors spent the most per night, \$239 on average.

Table 1.3: Tourism activity summary, Central Coast, 2015-16

Visitor segment	Nights ('000)	Nights (%)	Consumption (\$ million)	Consumption (%)	\$ per night
Day-trippers	3,315*	44.2	338	29.1	102**
Intrastate	2,727	36.3	653	56.3	239
Interstate	620	8.3	124	10.7	201
International	841	11.2	45	3.9	53

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

* Relates to visitor numbers for day-trippers.

** Relates to \$ spend per day-trip visitor.

Gross Value Added

In 2015-16, direct tourism GVA in Central Coast was \$388 million. In the year to 2015-16, Central Coast direct GVA grew 4.4%. Since 2006-07, direct tourism GVA in Central Coast has increased by 41%, representing an average rate of 3.9% per annum.

In 2015-16, Central Coast contributed 2.6% of the total New South Wales direct tourism GVA. Central Coast's share of New South Wales direct tourism GVA has decreased over the last year, from 2.7% in 2014-15.

The tourism industries that generated the highest economic contribution to Central Coast (Table 1.4) in 2015-16 were:

- Cafes, restaurants and takeaway food services with \$89 million in direct GVA and \$98 million in direct GRP; and
- Other retail trade with \$83 million in direct GVA and \$86 million in direct GRP;
- Accommodation with \$42 million in direct GVA and \$47 million in direct GRP.

Table 1.4: Direct tourism GVA and GRP by industry, Central Coast, 2015-16

Tourism industry	Direct GVA (\$ million)	Share of total (%)	Direct GRP (\$ million)	GRP share (%)
Cafes, restaurants and takeaway food services	89	23.0	98	23.3
Other retail trade	83	21.4	86	20.5
Accommodation	42	10.7	47	11.2
Clubs, pubs, taverns and bars	44	11.4	47	11.2
Ownership of dwellings	30	7.6	32	7.7
All other	100	25.9	110	26.1
Total - tourism	388	100.0	422	100.0

Source: Deloitte Access Economics' Regional TSA model.

In 2015-16, Central Coast direct tourism GVA accounted for 54% of total tourism GVA for the region, with total tourism GVA in Central Coast being \$714 million. This made up 2.6% of the New South Wales total tourism GVA.

Gross Regional Product

In 2015-16, tourism's direct contribution to Central Coast's GRP was \$422 million, equal to 3.3 % of total regional GRP. In the year to 2015-16, direct tourism GRP in Central Coast grew by 5.2%. Since 2006-07, direct tourism GRP in Central Coast has increased by 38%, representing an average growth rate of 3.7% per annum.

Central Coast's share of direct tourism GRP in New South Wales was 2.6% in 2015-16, the same level with the 2014-15 performance.

In 2015-16, direct contribution to GRP of \$422 million accounted for 53% of total tourism GRP in Central Coast. The remaining \$374 million came from indirect supply industry contributions to tourism GRP in Central Coast.

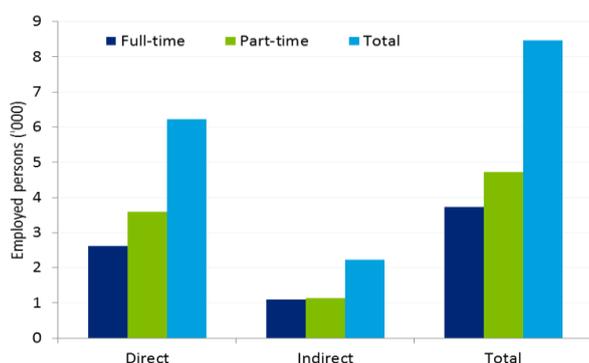
Tourism employment

TSA's define tourism employment as the number of tourism employed persons. In 2015-16 there were 6,200 persons (made up of 2,600 full-time and 3,600 part-time) directly employed in tourism in Central Coast (Chart 1.2).

In the year to 2015-16, direct tourism employment in Central Coast fell by 0.2%. Since 2006-07, direct tourism employment has fallen by 2.8%, representing an average rate of decline of 0.3% per annum.

Central Coast's share of direct tourism employment was 3.8% of the New South Wales direct tourism employment in 2015-16, the same level with the 2014-15 performance.

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



Source: Deloitte Access Economics' Regional TSA model.

The tourism related industries that contributed most to regional tourism employment in Central Coast (Table 1.5) in 2015-16 were:

- Cafes, restaurants and takeaway food services (700 full time and 1,670 part time employed persons);
- Retail trade (680 full time and 870 part time employed persons); and
- Accommodation (210 full time and 260 part time employed persons).

Table 1.5: Direct tourism employed persons, Central Coast, 2015-16

Tourism industry	Jobs	Share (%)
Cafes, restaurants and takeaway food services	2,370	38.2
Retail trade	1,550	25.0
Accommodation	480	7.7
Clubs, pubs, taverns and bars	470	7.6
Travel agency and tour operator services	310	5.0
Education and training	270	4.4
Other sports and recreation services	250	4.0
All other industries	250	4.0
Road transport and transport equipment rental	150	2.4
Cultural services	70	1.1
Air, water and other transport	30	0.5
Rail transport	20	0.3
Casinos and other gambling services	0	0.0
Total	6,200	100.0

Source: Deloitte Access Economics' Regional TSA model.

In 2015-16, tourism's direct contribution to Central Coast's employment, 6,200 jobs, accounted for 74% of total tourism employment in Central Coast, and 1 in 20 jobs in the Central Coast economy (Table 1.6).

The remaining 2,200 jobs represented tourism's indirect contribution to employment, 1 in 55 jobs in the Central Coast economy.

Table 1.6: Tourism employment and job ratio, Central Coast, 2015-16

Job type	Jobs ('000)	Share (%)	Job ratio
Direct	6.2	73.6	1 in 20 jobs
Indirect	2.2	26.4	1 in 55 jobs
Total	8.5	100.0	1 in 15 jobs

Source: Deloitte Access Economics' Regional TSA model.

Methodology

Destination New South Wales has worked with Deloitte Access Economics to produce consistent and comparable regional Tourism Satellite Account (TSA) estimates of the value of tourism to New South Wales'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 the Central Coast 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.