

The Murray Tourism Satellite Account

2015-16

In 2015-16, the tourism industry contributed an estimated \$458 million to The Murray regional economy (7.4% of The Murray's gross regional product) and directly employed approximately 3,700 people (6.3% of The Murray's regional 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 Murray 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 The Murray (Table 1.1) generated:

Tourism output

- \$476 million and \$383 million in direct and indirect tourism output, and \$858 million in total tourism output.

Gross Value Added (GVA)

- \$245 million and \$161 million in direct and indirect tourism GVA, and \$406 million in total tourism GVA.

Gross Regional Product (GRP)

- \$273 million and \$185 million in direct and indirect tourism GRP, and \$458 million in total tourism GRP; and

Employment

- 3,700 jobs for people employed directly by the tourism industry, 1,100 indirect jobs and a total employment impact of 4,800 people.

Table 1.1 Key tourism aggregates, The Murray, 2015-16 (\$m)

Visitor segment	Consumption	Output	GVA	GRP	Employed ('000)
Day-trippers	146	78	41	42	
Intrastate	128	127	65	72	
Interstate	359	184	92	110	
International	26	86	48	49	
Direct	660	476	245	273	3.7
Indirect*		383	161	185	1.1
Total impact		858	406	458	4.8
Total Murray economy			5,702	6,170	58.5

Source: Deloitte Access Economics' Regional TSA model.

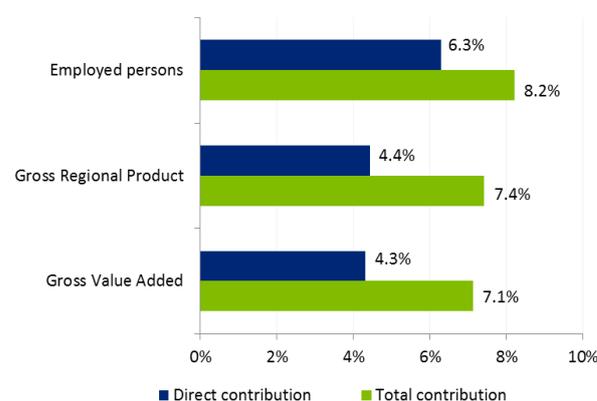
* Regional indirect contribution does not include regional contribution to the rest of Australia. Total indirect contribution in the State Tourism Satellite Account however includes contribution to the rest of Australia.

Economic importance of tourism to The Murray

The ratio of The Murray's direct tourism contribution to The Murray's total 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 4.4% (Chart 1.1) of the total Murray economy (in GRP terms), compared to 4.0% for regional New South Wales.

The Murray region has a strong tourism sector, attracting many visitors to the river and a number of regional centres including Albury. The Murray represents about 1.7% of the state-wide contribution of tourism to GRP.

Chart 1.1: Tourism's contribution to The Murray economy, 2015-16



Source: Deloitte Access Economics' Regional TSA model.

Consumption

In 2015-16, tourism consumption in The Murray was \$660 million, equal to 1.7% of total tourism consumption in New South Wales. The Murray region makes up a bigger share of consumption at the state level for day-trippers (2.2%) and interstate overnight visitors (4.5%).

In the year to 2015-16, The Murray's tourism consumption grew by 8.3%. Since 2006-07, tourism consumption in The Murray has increased by 26%, representing an average growth rate of 2.6% per annum.

The Murray's share of New South Wales tourism consumption has remained steady since 2014-15.

At the industry level, the tourism products that contributed most to tourism consumption in The Murray in 2015-16 were: (1) \$128 million on takeaway and restaurant meals; (2) \$94 million on long distance passenger transportation; and (3) \$77 million on shopping (Table 1.2).

Total consumption of these products equates to \$298 million or 45% of total tourism consumption in The Murray.

Table 1.2: Tourism consumption by product, The Murray, 2015-16

Tourism product	Consumption (\$ million)	Share of total (%)
Takeaway and restaurant meals	128	19.3
Long distance passenger transportation	94	14.2
Shopping (including gifts and souvenirs)	77	11.7
Accommodation services	75	11.4
Fuel (petrol, diesel)	68	10.3
All other	219	33.1
Total - tourism	660	100.0

Source: Deloitte Access Economics' Regional TSA model.

The majority of visitor consumption in The Murray was contributed by interstate visitors (\$359 million). In relative terms, intrastate visitors spent the most per night, \$191 on average (Table 1.3).

Table 1.3: Tourism activity summary, The Murray, 2015-16

Visitor segment	Nights ('000)	Nights (%)	Consumption (\$ million)	Consumption (%)	\$ per night
Day-trippers	916*	22.3	146	22.1	159**
Intrastate	670	16.3	128	19.4	191
Interstate	2,223	54.1	359	54.4	161
International	302	7.3	26	4.0	88

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

* Relates to visitor numbers for day-trippers.

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

Gross Value Added

In 2015-16, direct tourism GVA in The Murray was \$245 million. In the year to 2015-16, The Murray direct GVA grew by 7.0%. Since 2006-07, direct tourism GVA in The Murray has increased by 52%, representing an average rate of 4.7% per annum.

The Murray contributed 1.6% of the total New South Wales direct tourism GVA. The Murray's share of New South Wales direct tourism GVA has remained stable over the last year.

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

- Accommodation with \$67 million in direct GVA and \$77 million in direct GRP;
- Cafes, restaurants and takeaway food services with \$51 million in direct GVA and \$57 million in direct GRP; and
- Other retail trade with \$34 million in direct GVA and \$36 million in direct GRP.

Table 1.4: Direct tourism GVA and GRP by industry, The Murray, 2015-16

Tourism industry	Direct GVA (\$ million)	GVA share (%)	Direct GRP (\$ million)	GRP share (%)
Accommodation	67	27.3	77	28.1
Cafes, restaurants and takeaway food services	51	20.7	57	20.7
Other retail trade	34	13.8	36	13.2
Clubs, pubs, taverns and bars	25	10.2	27	10.0
All other industries	14	5.5	16	5.9
All other	55	22.4	60	22.1
Total - tourism	245	100.0	273	100.0

Source: Deloitte Access Economics' Regional TSA model.

In 2015-16, The Murray direct tourism GVA accounted for 60% of total tourism GVA for the region, with total tourism GVA being \$406 million. The Murray made up 1.5% of the New South Wales total tourism GVA.

Gross Regional Product

In 2015-16, tourism’s direct contribution to The Murray’s GRP was \$273 million, equal to 4.4% of total regional GRP. In the year to 2015-16, direct tourism GRP in The Murray grew by 8.0%. Since 2006-07, direct tourism GRP in The Murray has increased by 46%, representing an average growth rate of 4.3% per annum.

The Murray’s share of direct tourism GRP in New South Wales was 1.7% in 2015-16, equal to the 2014-15 performance.

In 2015-16, direct contribution to GRP of \$273 million accounted for 60% of total tourism GRP in The Murray. The remaining \$185 million came from indirect supply industry contributions to tourism GRP in The Murray.

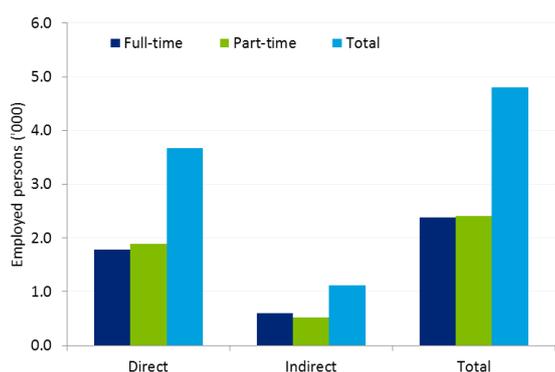
Tourism employment

TSA’s define tourism employment as the number of tourism employed persons. In 2015-16 there were 3,700 persons (made up of 1,800 full-time and 1,900 part-time) directly employed in tourism in The Murray (Chart 1.2).

In the year to 2015-16, direct tourism employment in The Murray increased by 2.1%. Since 2006-07, direct tourism employment has increased by 1.6%, representing an average increase of 0.2% per annum.

The Murray’s share of direct tourism employment was 2.2% of the New South Wales direct tourism employment in 2015-16, the same with the 2014-15 performance.

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



Source: Deloitte Access Economics’ Regional TSA model.

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

- Cafes, restaurants and takeaway food services (470 full time and 780 part time employed persons);
- Accommodation (330 full time and 380 part time employed persons); and

- Retail trade (320 full time and 340 part time employed persons).

Table 1.5: Direct tourism employed persons, The Murray, 2015-16

Tourism industry	Jobs	Share (%)
Cafes, restaurants and takeaway food services	1,260	34.1
Accommodation	710	19.2
Retail trade	660	17.8
Clubs, pubs, taverns and bars	250	6.8
Road transport and transport equipment rental	200	5.4
Other sports and recreation services	140	3.8
All other industries	140	3.8
Education and training	130	3.5
Travel agency and tour operator services	100	2.7
Air, water and other transport	50	1.4
Cultural services	50	1.4
Rail transport	0	0.0
Casinos and other gambling services	0	0.0
Total	3,700	100.0

Source: Deloitte Access Economics’ Regional TSA model.

In 2015-16, tourism’s direct contribution to The Murray’s employment, 3,700 jobs, accounted for 77% of total tourism employment, or 1 in 16 jobs in The Murray economy (Table 1.6).

The remaining 1,100 jobs represented tourism’s indirect contribution to employment, 1 in 52 jobs in The Murray economy.

Table 1.6: Tourism employment and job ratio, The Murray, 2015-16

Job type	Jobs ('000)	Share (%)	Job ratio
Direct	3.7	76.7	1 in 16 jobs
Indirect	1.1	23.3	1 in 52 jobs
Total	4.8	100.0	1 in 12 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 Murray 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.