

Value of Tourism to Daylesford and the Macedon Ranges 2013-14

Tourism Victoria

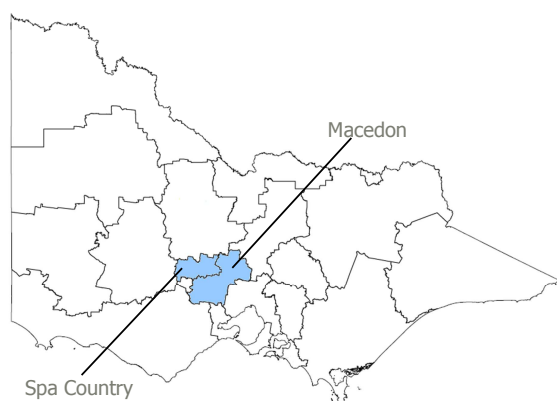
In 2013-14, the tourism industry contributed an estimated \$833 million to the Daylesford and Macedon Ranges economy (34.0% of gross regional product) and employed approximately 7,000 people (25.5% of regional employment).

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 Daylesford and Macedon Ranges regional profile presents (and 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 and National Tourism Satellite Accounts.

TOURISM VICTORIA REGIONS

The Daylesford and Macedon Ranges region comprises two tourism regions: Spa Country and Macedon Ranges.



Each tourism region is defined using smaller geographical building blocks called Statistical Areas Level 2 (SA2s), developed by the Australian Bureau of Statistics. SA2s do not precisely align with the boundaries of Local Government Areas (LGAs).

For further information refer: <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/9503.0.55.0012013?OpenDocument>

Region	SA2
Macedon	Bacchus Marsh, Bacchus Marsh Region, Gisborne, Gordon, Kyneton, Macedon, Riddells Creek, Romsey, Woodend
Spa Country	Creswick – Clunes, Daylesford

KEY RESULTS

In 2013-14, the tourism activity in Daylesford and Macedon Ranges generated:

Tourism output

- \$221 million in direct and \$1.4 billion in indirect tourism output, and \$1.6 billion in total tourism output.

Gross Value Added (GVA)

- \$116 million and \$586 million in direct and indirect tourism GVA, and \$702 million in total tourism GVA.

Gross Regional Product (GRP)

- \$127 million and \$706 million in direct and indirect tourism GRP and \$833 million in total tourism GRP.
- Total tourism GRP in the Daylesford and Macedon Ranges region has increased at an average annual rate of 4.8 per cent over the period 2006-07 to 2013-14. Total tourism GRP increased by 4.6 per cent year-on-year from 2012-13 to 2013-14.

Employment

- 1,900 jobs for people employed directly by the tourism industry, 5,000 indirect jobs and a total employment impact of 7,000 people.
- Total tourism employment in the Daylesford and Macedon Ranges region has increased at an average annual rate of 3.7 per cent over the period 2006-07 to 2013-14. Total tourism employment increased by 2.9 per cent year-on-year from 2012-13 to 2013-14.

To note: Some results may not add due to rounding

Source: Victorian Regional Tourism Satellite Accounts 2013-14, model developed by Deloitte Access Economics for Tourism Victoria. Research Factsheet produced by Tourism Victoria, October 2015.



Research Factsheet: Value of Tourism to Daylesford and the Macedon Ranges

Key tourism aggregates (\$ million) – Daylesford and Macedon Ranges

Visitor segment	Consumption	Output	GVA	GRP	Employed ('000)
Day-trippers	126	49	24	25	
Intrastate overnight	202	114	59	66	
Interstate overnight	39	39	22	24	
International overnight	8	20	12	12	
Direct	375	221	116	127	1.9
Indirect		1,395	586	706	5.0
Total impact	375	1,616	702	833	7.0
Total economy			2,270	2,449	27.2

Source: DAE Regional TSA model, ABS National Accounts and Census data.

At a sub-regional level, Spa Country contributed the most to Daylesford and Macedon Ranges' direct economic impact of tourism (54% or \$69 million of GRP). Indirect impacts could not be quantified at the sub-regional level.

Key direct tourism aggregates, Daylesford and Macedon Ranges (DMR) sub-regions (\$m)

Region	Consumption	Output	GVA	GRP	Employed ('000)
Macedon	150	99	54	58	0.9
Spa Country	225	122	63	69	1.1
DMR	375	221	116	127	1.9

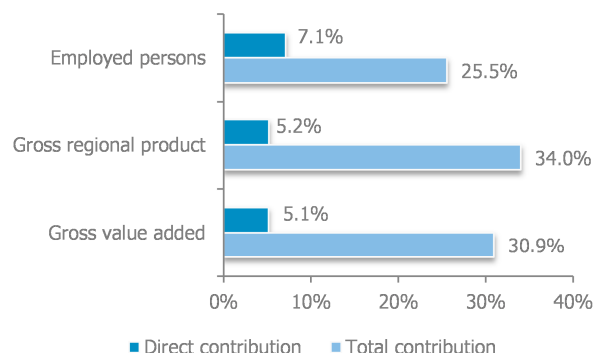
Source: Deloitte Access Economics' Regional TSA model.

ECONOMIC IMPORTANCE OF TOURISM IN THE REGION

The ratio of Daylesford and Macedon Ranges' direct tourism contribution to the total regional economy aggregates provides a point of reference snapshot for the importance of tourism to the region. In 2013-14, it is estimated that tourism directly represented 5.2% of the total Daylesford and Macedon Ranges economy (in GRP terms), compared to 4.2% for regional Victoria on average.

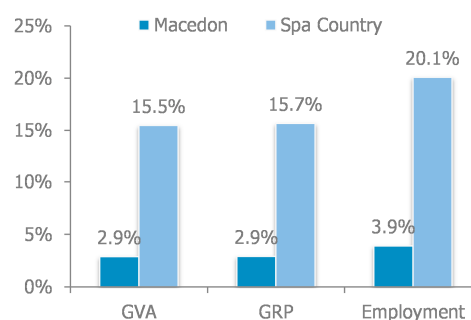
Daylesford and Macedon Ranges ranked 3rd overall in the comparative importance of tourism across Tourism Victoria Regions behind Phillip Island and Victoria's High Country (i.e. direct share of regional economy). However, in terms of industry size, Daylesford and Macedon Ranges supplies only a small amount (1.4%) of the state-wide direct contribution of tourism.

Tourism's contribution to the regional economy, Daylesford and Macedon Ranges, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

Tourism's direct contribution to the sub-regional economy, Daylesford and Macedon Ranges, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

TOURISM RELATED INDUSTRY PROFILE

In terms of overall economic contribution, the tourism industries that generated the highest economic benefit to Daylesford and Macedon Ranges in 2013-14 were:

- accommodation with \$21 million in direct GVA and \$23 million in direct GRP;
- ownership of dwellings with \$19 million in direct GVA and \$21 million in direct GRP;
- retail trade with \$17 million in direct GVA and \$18 million in direct GRP; and
- cafes, restaurants and takeaway food services with \$16 million in direct GVA and \$17 million in direct GRP.

TOURISM EMPLOYMENT

The TSAs define tourism employment as the number of tourism employed persons. In 2013-14 there were 1,900 persons (made up of 900 full-time and 1,000 part-time) directly employed in tourism in Daylesford and Macedon Ranges.

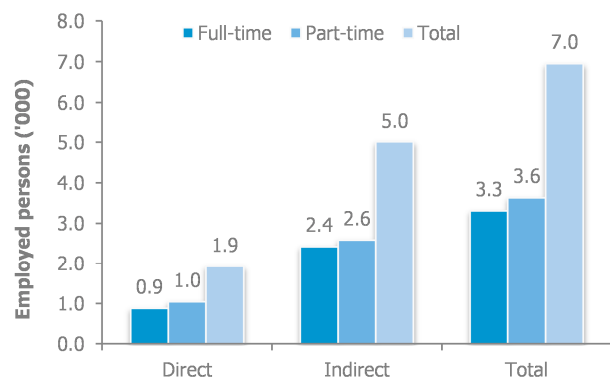
To note: Some results may not add due to rounding.

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Contribution of tourism to employment, Daylesford and Macedon Ranges, 2013-14

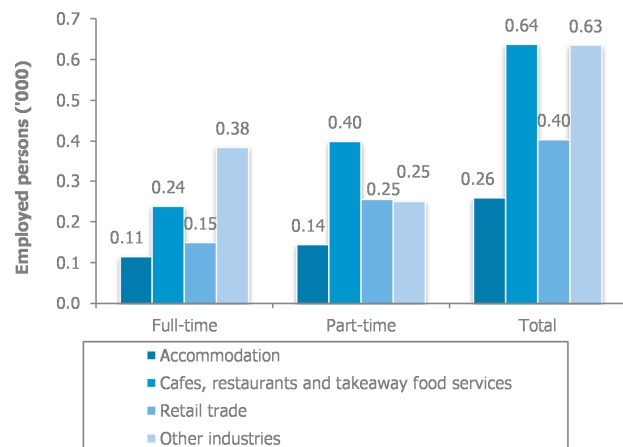


Source: Deloitte Access Economics' Regional TSA model.

The tourism related industries that contributed most to direct regional tourism employment in Daylesford and Macedon Ranges in 2013-14 were:

- cafes, restaurants and takeaway food services (240 full time and 400 part time employed persons);
- retail trade (150 full time and 250 part time employed persons); and
- accommodation (110 full time and 140 part time employed persons).

Direct tourism employed persons, Daylesford and Macedon Ranges, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

REGIONAL TOURISM PROFILE

In 2013-14, visitors to the Daylesford and Macedon Ranges contributed a total of \$375 million in direct tourism consumption to the Daylesford and Macedon Ranges economy. The majority of visitor consumption in the region was contributed by intrastate overnight visitors (\$202 million). In relative terms, interstate overnight visitors to Daylesford and Macedon Ranges spend the most per night (\$287) on average.

To note: Some results may not add due to rounding.

Source: Victorian Regional Tourism Satellite Accounts 2013-14, model developed by Deloitte Access Economics for Tourism Victoria. Research Factsheet produced by Tourism Victoria, October 2015.

Tourism activity summary – Daylesford and Macedon Ranges

Visitor segment	Nights / Trips ('000)	Nights / Trips (%)	Consumption (\$ million)	Consumption (%)	\$ per night/ trip
Day-trippers	1,514	56%	126	34%	83
Intrastate overnight	956	35%	202	54%	211
Interstate overnight	135	5%	39	10%	287
International overnight	108	4%	8	2%	74

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

METHODOLOGY

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

Tourism Satellite Accounts (TSAs) 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 Daylesford and Macedon Ranges' 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 2013-14 state TSA data.

Note: It is important that these results are not compared to previously published estimates as historical results have been revised due to refinements in the methodology and changes in input data. Results should also not be compared to alternative studies which are not based on the same methodology.

GLOSSARY

Direct contribution of tourism: The contribution generated by transactions between the visitor and provider that involve 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.



Research Factsheet: Value of Tourism to Daylesford and the Macedon Ranges

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 (GRP): Tourism GRP (the equivalent to Gross State Product (GSP) but at a regional level) 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 (GVA): 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.

TOURISM'S TOTAL CONTRIBUTION TO THE DAYLESFORD AND MACEDON RANGES ECONOMY (DIRECT AND INDIRECT ESTIMATES) 2006-07 TO 2013-14

Daylesford and the Macedon Ranges	Tourism's Total [^] contribution to the Economy								AAG* 2006-07 to 2013-14	% Change 2012-13 vs 2013-14
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14		
GRP (\$ millions basic prices)	599	670	682	697	733	774	796	833	4.8%	4.6%
% share of the regional economy	35.5%	35.8%	35.5%	34.0%	33.9%	33.9%	33.5%	34.0%		
Employment (000s)	5.4	6.2	6.3	6.1	6.6	6.7	6.8	7.0	3.7%	2.9%
% share of the regional economy	19.8%	22.9%	23.1%	22.4%	24.3%	24.7%	24.8%	25.5%		

*Average annual growth rate. [^]Direct and Indirect contribution.

MORE INFORMATION

For further information on the methodology and key concepts for the *Victorian Regional Tourism Satellite Accounts 2013-14*, please refer to the Regional Tourism Satellite Account User Guide at this link:

<http://www.tourism.vic.gov.au/research/economic-significance.html>

For more detail on the *State Tourism Satellite Accounts 2013-14*, published by Tourism Research Australia refer to the full report:

<http://www.tra.gov.au/research/State-tourism-satellite-accounts-2013-14.html>

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