

# Value of Tourism to Grampians 2013-14

## Tourism Victoria

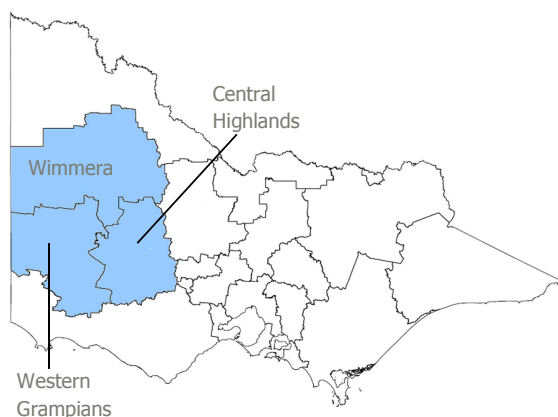
*In 2013-14, the tourism industry contributed an estimated \$1.0 billion to the Grampians economy (21.2% of gross regional product) and employed approximately 9,200 people (20.1% of regional employment).*

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 Grampians 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 Grampians region comprises three tourism regions: Central Highlands, Western Grampians and Wimmera.



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
Central Highlands	Ararat, Ararat Region, Avoca, Beaufort, St Arnaud Stawell
Western Grampians	Hamilton, Horsham, Horsham Region, Southern Grampians, West Wimmera
Wimmera	Buloke, Nhill Region, Yarriambiack

### KEY RESULTS

In 2013-14, the tourism activity in the Grampians generated:

#### Tourism output

- \$255 million in direct and \$1.8 billion in indirect tourism output, and \$2.1 billion in total tourism output.

#### Gross Value Added (GVA)

- \$132 million and \$749 million in direct and indirect tourism GVA, and \$881 million in total tourism GVA.

#### Gross Regional Product (GRP)

- \$144 million and \$900 million in direct and indirect tourism GRP and \$1.0 billion in total tourism GRP.
- Total tourism GRP in the Grampians region has increased at an average annual rate of 3.9 per cent over the period 2006-07 to 2013-14. Total tourism GRP increased by 5.7 per cent year-on-year from 2012-13 to 2013-14.

#### Employment

- 2,600 jobs for people employed directly by the tourism industry, 6,700 indirect jobs and a total employment impact of 9,200 people.
- Total tourism employment in the Grampians region has increased at an average annual rate of 2.6 per cent over the period 2006-07 to 2013-14. Total tourism employment increased by an estimated 5.7 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 Grampians

## Key tourism aggregates (\$ million) – Grampians

Visitor segment	Consumption	Output	GVA	GRP	Employed ('000)
Day-trippers	133	48	25	26	
Intrastate overnight	263	133	67	75	
Interstate overnight	83	54	27	30	
International overnight	16	20	12	13	
<b>Direct</b>	<b>494</b>	<b>255</b>	<b>132</b>	<b>144</b>	<b>2.6</b>
<b>Indirect</b>		<b>1,829</b>	<b>749</b>	<b>900</b>	<b>6.7</b>
<b>Total impact</b>	<b>494</b>	<b>2,085</b>	<b>881</b>	<b>1,044</b>	<b>9.2</b>
Total economy			<b>4,565</b>	<b>4,924</b>	<b>46.0</b>

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

At a sub-regional level, the Central Highlands sub-region contributed the most to the Grampians' total direct economic impact of tourism (46% or \$67 million of GRP). Indirect impacts could not be quantified at the sub-regional level.

## Key direct tourism aggregates, Grampians sub-regions (\$m)

Region	Consumption	Output	GVA	GRP	Employed ('000)
Central Highlands	232	119	61	67	1.1
Western Grampians	180	96	50	55	1.0
Wimmera	83	40	21	22	0.4
Grampians	494	255	132	144	2.6

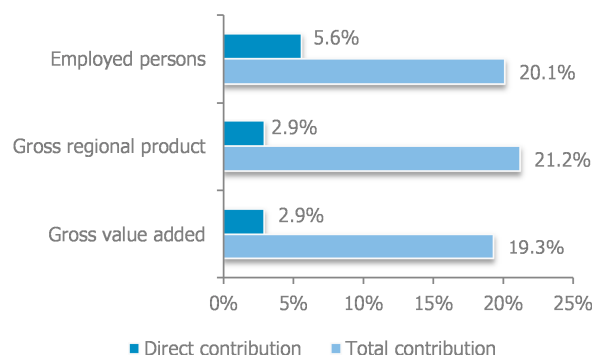
Source: Deloitte Access Economics' Regional TSA model.

## ECONOMIC IMPORTANCE OF TOURISM IN THE REGION

The ratio of Grampians' 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 2.9% of the total Grampians economy (in GRP terms), compared to 4.2% for regional Victoria on average.

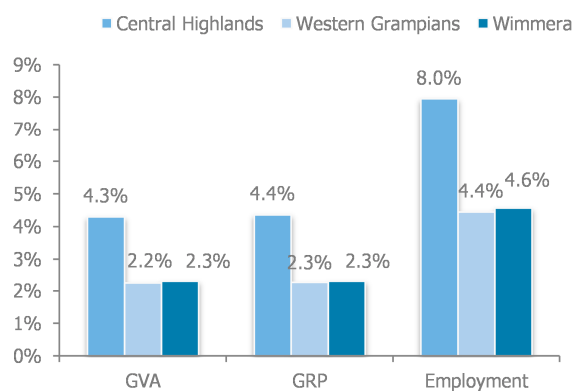
Grampians ranked 9th overall in the comparative importance of tourism across Tourism Victoria Regions (i.e. direct share of regional economy). In terms of industry size, Grampians is one of the smallest of all regions contributing an estimated 1.6% of the state-wide direct contribution of tourism.

## Tourism's contribution to the regional economy, Grampians, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

## Tourism's direct contribution to the sub-regional economy, Grampians, 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 Grampians in 2013-14 were:

- accommodation with \$26 million in direct GVA and \$28 million in direct GRP;
- retail trade with \$21 million in direct GVA and \$22 million in direct GRP; and
- cafes, restaurants and takeaway food services with \$17 million in direct GVA and \$18 million in direct GRP.

## TOURISM EMPLOYMENT

The TSAs define tourism employment as the number of tourism employed persons. In 2013-14 there were 2,600 persons (made up of 1,300 full-time and 1,300 part-time) directly employed in tourism in Grampians.

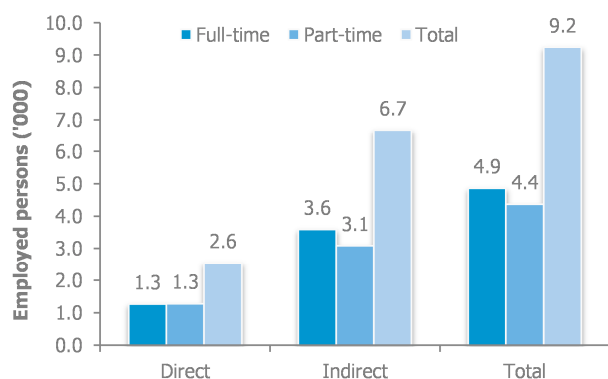
To note: Some results may not add due to rounding.

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



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## Contribution of tourism to employment, Grampians, 2013-14

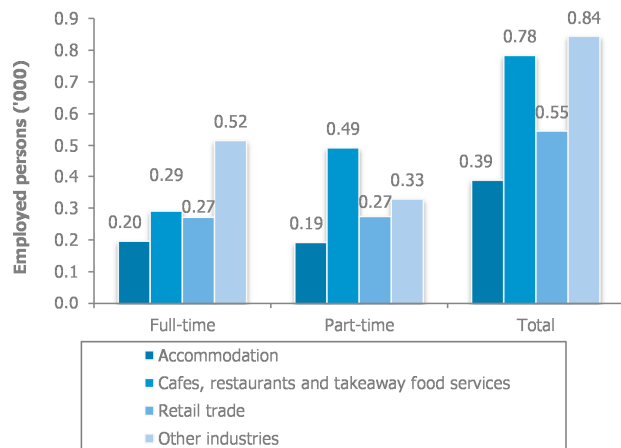


Source: Deloitte Access Economics' Regional TSA model.

The tourism related industries that contributed most to direct regional tourism employment in Grampians in 2013-14 were:

- cafes, restaurants and takeaway food services (290 full time and 490 part time employed persons);
- retail trade (270 full time and 270 part time employed persons); and
- accommodation (200 full time and 190 part time employed persons).

## Direct tourism employed persons, Grampians, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

## REGIONAL TOURISM PROFILE

In 2013-14, visitors to Grampians contributed a total of \$494 million in direct tourism consumption to the Grampians economy. The majority of visitor consumption in the region was contributed by intrastate overnight visitors (\$263 million). In relative terms, intrastate overnight visitors to the Grampians spend the most per night (\$178) on average.

## Tourism activity summary – Grampians

Visitor segment	Nights /Trips ('000)	Nights/ Trips (%)	Consumption (\$ million)	Consumption (%)	\$ per night/ trip
Day-trippers	1,103	32%	133	27%	120
Intrastate overnight	1,472	43%	263	53%	178
Interstate overnight	672	19%	83	17%	124
International overnight	200	6%	16	3%	80

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 the Grampians' 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 that 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.

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

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**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 GRAMPIANS ECONOMY (DIRECT AND INDIRECT ESTIMATES) 2006-07 TO 2013-14

Grampians	Tourism's Total <sup>^</sup> 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)	797	783	820	860	872	932	987	1,044	3.9%	5.7%
% share of the regional economy	22.8%	20.1%	20.9%	21.0%	20.1%	20.6%	21.2%	21.2%		
Employment (000s)	7.7	7.2	7.6	7.8	7.9	8.3	8.8	9.2	2.6%	5.7%
% share of the regional economy	16.8%	15.6%	16.5%	16.9%	17.2%	18.1%	19.0%	20.1%		

\*Average annual growth rate. <sup>^</sup>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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Source: Victorian Regional Tourism Satellite Accounts 2013-14, developed by Deloitte Access Economics for Tourism Victoria. Research Factsheet produced by Tourism Victoria, October 2015.

