

Value of Tourism to Mornington Peninsula 2013-14

Tourism Victoria

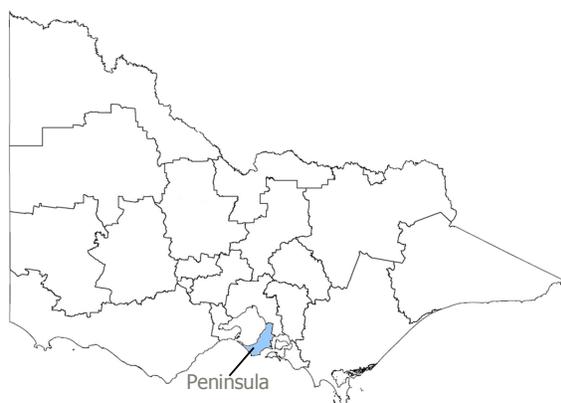
In 2013-14, the tourism industry contributed an estimated \$979 million to the Mornington Peninsula economy (10.2% of gross regional product) and employed approximately 9,800 people (9.4% of regional employment).

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 Mornington Peninsula 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 Mornington Peninsula region comprises one tourism region: Peninsula.



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).

| Region | SA2 |
|-----------|---|
| Peninsula | Carrum Downs, Dromana, Flinders, Frankston, Frankston North, Frankston South, Hastings – Somers, Langwarrin, Mornington, Mount Eliza, Mount Martha, Point Nepean, Rosebud – McCrae, Seaford, Skye – Sandhurst, Somerville |

KEY RESULTS

In 2013-14, the tourism activity in Mornington Peninsula generated:

Tourism Output

- \$672 million and \$1.2 billion in direct and indirect tourism output, and \$1.8 billion in total tourism output.

Gross Value Added (GVA)

- \$369 million and \$480 million in direct and indirect tourism GVA, and \$848 million in total tourism GVA.

Gross Regional Product (GRP)

- \$401 million and \$578 million in direct and indirect tourism GRP and \$979 million in total tourism GRP.
- Total tourism GRP in the Mornington Peninsula region has increased at an average annual rate of 4.4 per cent over the period 2006-07 to 2013-14. Total tourism GRP increased by 4.8 per cent year-on-year from 2012-13 to 2013-14.

Employment

- 5,700 jobs for people employed directly by the tourism industry, 4,100 indirect jobs and a total employment impact of 9,800 people.
- Total tourism employment in the Mornington Peninsula region has increased at an average annual rate of 2.7 per cent over the period 2006-07 to 2013-14. Total tourism employment increased by 1.7 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 Mornington Peninsula

Key tourism aggregates (\$ million) – Mornington Peninsula

| Visitor segment | Consumption | Output | GVA | GRP | Employed ('000) |
|-------------------------|--------------|--------------|------------|------------|-----------------|
| Day-trippers | 388 | 159 | 82 | 84 | |
| Intrastate overnight | 526 | 322 | 180 | 200 | |
| Interstate overnight | 156 | 128 | 70 | 76 | |
| International overnight | 44 | 63 | 37 | 40 | |
| Direct | 1,114 | 672 | 369 | 401 | 5.7 |
| Indirect | | 1,158 | 480 | 578 | 4.1 |
| Total impact | 1,114 | 1,831 | 848 | 979 | 9.8 |
| Total economy | | | 8,895 | 9,596 | 104.0 |

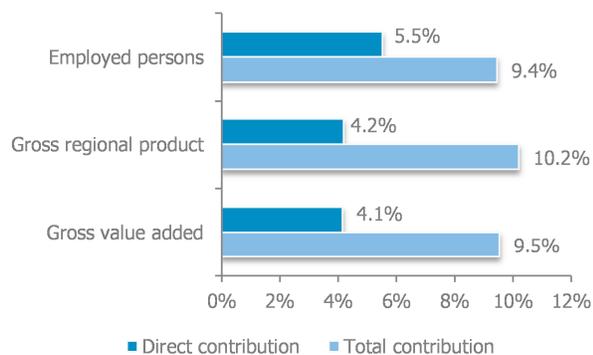
Source: DAE Regional TSA model, ABS National Accounts and Census data.

ECONOMIC IMPORTANCE OF TOURISM IN THE REGION

The ratio of Mornington Peninsula'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 2013-14, it is estimated that tourism directly represented 4.2% of the total Mornington Peninsula economy (in GRP terms), in line with the average of 4.2% for regional Victoria.

Mornington Peninsula ranked 5th overall in the comparative importance of tourism across Tourism Victoria Regions just behind the Great Ocean Road (i.e. direct share of regional economy). Mornington Peninsula also ranks 5th in overall tourism industry size; supplying 4.4% of the state-wide contribution of tourism (direct contribution only).

Tourism's contribution to the regional economy, Mornington Peninsula, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

TOURISM RELATED INDUSTRY PROFILE

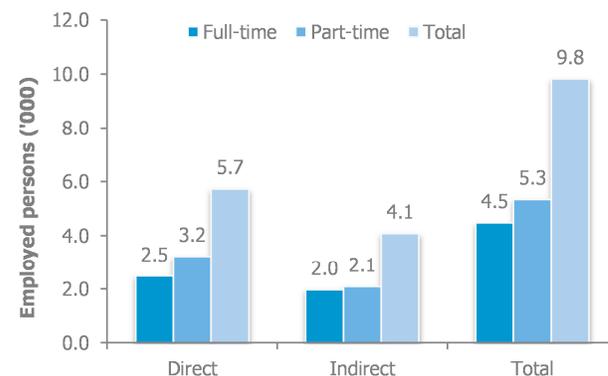
In terms of overall economic contribution, the tourism industries that generated the highest economic benefit to Mornington Peninsula in 2013-14 were:

- ownership of dwellings (or imputed rent) with \$73 million in direct GVA and \$82 million in direct GRP;
- retail trade with \$59 million in direct GVA and \$63 million in direct GRP;
- cafes, restaurants and takeaway food services with \$49 million in direct GVA and \$54 million in direct GRP; and
- accommodation with \$40 million in direct GVA and \$43 million in direct GRP.

TOURISM EMPLOYMENT

The TSAs define tourism employment as the number of tourism employed persons. In 2013-14 there were 5,700 persons (made up of 2,500 full-time and 3,200 part-time) directly employed in tourism in Mornington Peninsula.

Contribution of tourism to employment, Mornington Peninsula, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

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

- cafes, restaurants and takeaway food services (630 full time and 1,360 part time employed persons);
- retail trade (520 full time and 700 part time employed persons); and
- accommodation (230 full time and 280 part time employed persons).

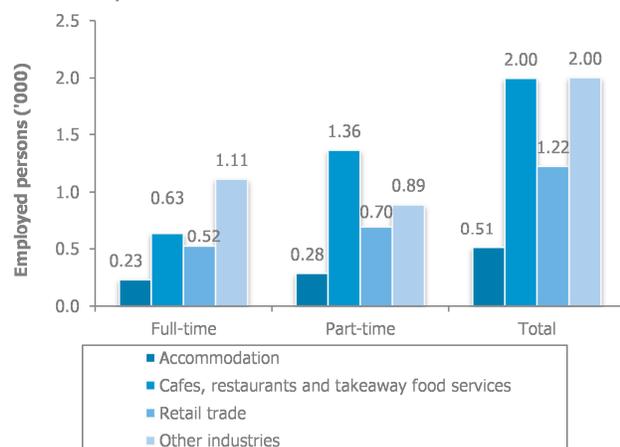
To note: Some results may not add due to rounding.

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 Mornington Peninsula

Direct tourism employed persons, Mornington Peninsula, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

REGIONAL TOURISM PROFILE

In 2013-14, visitors to the Mornington Peninsula contributed a total of \$1.1 billion in direct tourism consumption to the Mornington Peninsula economy. The majority of visitor consumption in the region was contributed by intrastate overnight visitors (\$526 million). In relative terms, interstate overnight visitors to Mornington Peninsula spend the most per night (\$204) on average.

Tourism activity summary – Mornington Peninsula

| Visitor segment | Nights/ Trips ('000) | Nights /Trips (%) | Consumption (\$ million) | Consumption (%) | \$ per night /trip |
|-------------------------|----------------------|-------------------|--------------------------|-----------------|--------------------|
| Day-trippers | 3,779 | 43% | 388 | 35% | \$103 |
| Intrastate overnight | 3,583 | 41% | 526 | 47% | \$147 |
| Interstate overnight | 767 | 9% | 156 | 14% | \$204 |
| International overnight | 686 | 8% | 44 | 4% | \$64 |

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 Mornington Peninsula'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 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.

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 Mornington Peninsula

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.

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 MORNINGTON PENINSULA ECONOMY (DIRECT AND INDIRECT ESTIMATES) 2006-07 TO 2013-14

| Mornington Peninsula | 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) | 723 | 790 | 781 | 846 | 869 | 925 | 934 | 979 | 4.4% | 4.8% |
| % share of the regional economy | 10.6% | 10.7% | 10.2% | 10.4% | 10.2% | 10.2% | 10.0% | 10.2% | | |
| Employment (000s) | 8.2 | 8.8 | 8.6 | 9.1 | 9.5 | 9.7 | 9.7 | 9.8 | 2.7% | 1.7% |
| % share of the regional economy | 7.9% | 8.5% | 8.3% | 8.8% | 9.1% | 9.3% | 9.3% | 9.4% | | |

*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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