

Value of Tourism to Murray 2013-14

Tourism Victoria

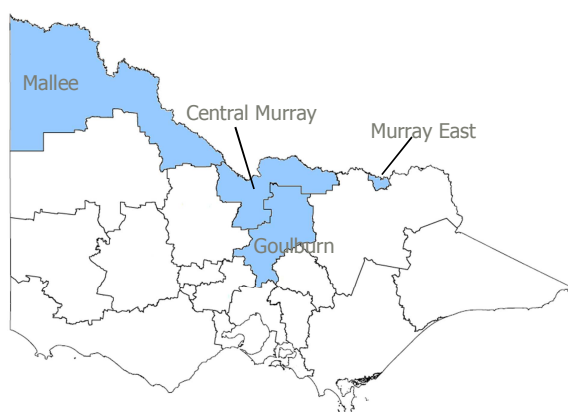
In 2013-14, the tourism industry contributed an estimated \$1.9 billion to the Murray economy (13.5% of gross regional product) and employed approximately 18,400 people (13.2% of regional employment).

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 Murray 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 Murray comprises four tourism regions: Central Murray, Goulburn, Mallee, Murray East.



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
Central Murray	Cobram, Echuca, Kyabram, Lockington – Gunbower, Moira, Numurkah, Rochester, Rushworth, Yarrawonga
Goulburn	Euroa, Kilmore – Broadford, Mooroopna, Nagambie, Seymour, Seymour Region, Shepparton – North, Shepparton – South, Shepparton Region – East, Shepparton Region – West, Wallan
Mallee	Gannawarra, Irymple, Kerang, Merbein, Mildura, Mildura Region, Red Cliffs, Robinvale, Swan Hill, Swan Hill Region
Murray East	West Wodonga, Wodonga

KEY RESULTS

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

Tourism output

- \$936 million in direct and \$2.7 billion in indirect tourism output, and \$3.6 billion in total tourism output.

Gross Value Added (GVA)

- \$492 million and \$1.1 billion in direct and indirect tourism GVA, and \$1.6 billion in total tourism GVA.

Gross Regional Product (GRP)

- \$536 million and \$1.3 billion in direct and indirect tourism GRP and \$1.9 billion in total tourism GRP.
- Total tourism GRP in the Murray region has increased at an average annual rate of 4.5 per cent over the period 2006-07 to 2013-14. Total tourism GRP increased by 10.2 per cent year-on-year from 2012-13 to 2013-14.

Employment

- 8,500 jobs for people employed directly by the tourism industry, 9,900 indirect jobs and a total employment impact of 18,400 people.
- Total tourism employment in the Murray region has increased at an average annual rate of 3.0 per cent over the period 2006-07 to 2013-14. Total tourism employment increased by an estimated 10.5 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 2013-13, model developed by Deloitte Access Economics for Tourism Victoria. Research Factsheet produced by Tourism Victoria, October 2015.



Research Factsheet Value of Tourism to Murray

Key tourism aggregates (\$ million) – Murray

Visitor segment	Consumption	Output	GVA	GRP	Employed ('000)
Day-trippers	460	170	88	89	
Intrastate overnight	810	430	226	252	
Interstate overnight	391	238	123	134	
International overnight	107	98	57	61	
Direct	1,769	936	492	536	8.5
Indirect		2,712	1,121	1,349	9.9
Total impact	1,769	3,648	1,614	1,885	18.4
Total economy			12,971	13,992	139.5

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

At a sub-regional level, the Mallee sub-region contributed the most to the Murray's total direct economic impact of tourism (34% or \$183 million of GRP). Indirect impacts could not be quantified at the sub-regional level.

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

Region	Consumption	Output	GVA	GRP	Employed ('000)
Mallee	601	325	167	183	3.0
Goulburn	511	270	144	155	2.5
Central Murray	547	274	144	158	2.4
Murray East	109	67	37	40	0.6
Murray	1,769	936	492	536	8.5

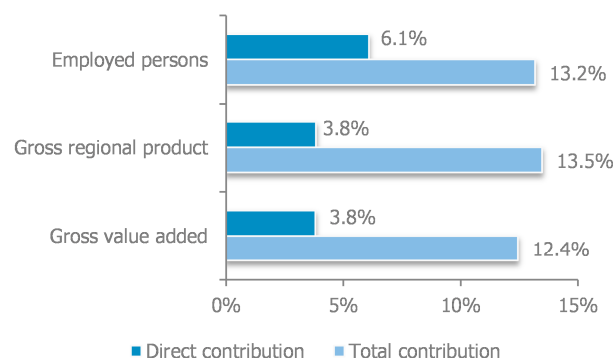
Source: Deloitte Access Economics' Regional TSA model.

ECONOMIC IMPORTANCE OF TOURISM IN THE REGION

The ratio of the Murray'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 3.8% of the total Murray economy (in GRP terms), compared to 4.2% for regional Victoria on average.

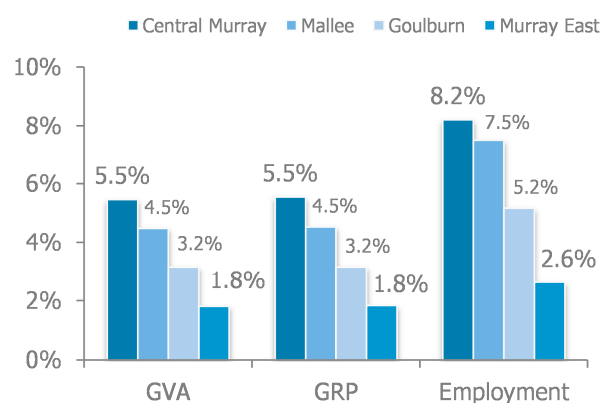
Murray ranked 6th overall in the comparative importance of tourism across Tourism Victoria regions (i.e. direct share of regional economy). In terms of industry size, Murray has the third largest tourism contribution in the state, behind Melbourne and the Great Ocean Road and supplies 5.8% of the state-wide direct contribution of tourism.

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



Source: Deloitte Access Economics' Regional TSA model.

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

- accommodation with \$85 million in direct GVA and \$91 million in direct GRP;
- retail trade with \$81 million in direct GVA and \$85 million in direct GRP;
- air, water and other transport with \$59 million in direct GVA and \$67 million in direct GRP; and
- cafes, restaurants and takeaway food services with \$58 million in direct GVA and \$64 million in direct GRP.

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.

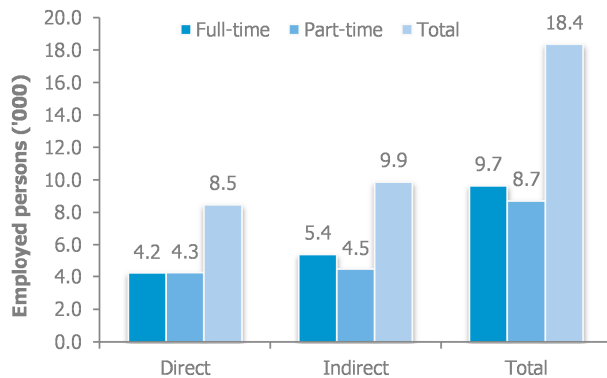


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TOURISM EMPLOYMENT

The TSAs define tourism employment as the number of tourism employed persons. In 2013-14 there were 8,500 persons (made up of 4,200 full-time and 4,300 part-time) directly employed in tourism in the Murray.

Contribution of tourism to employment, Murray, 2013-14

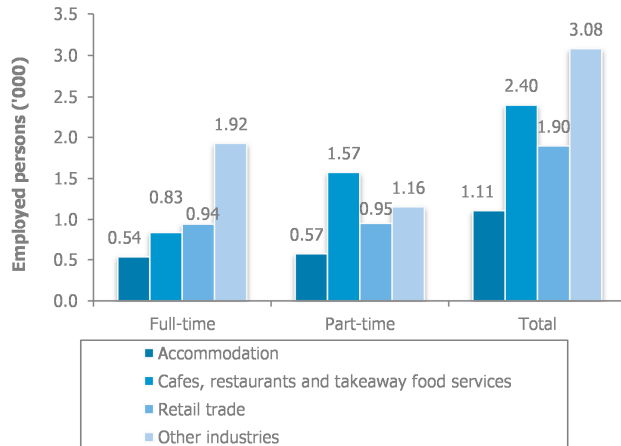


Source: Deloitte Access Economics' Regional TSA model.

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

- cafes, restaurants and takeaway food services (830 full time and 1,570 part time employed persons);
- retail trade (940 full time and 950 part time employed persons); and
- accommodation (540 full time and 570 part time employed persons).

Direct tourism employed persons, Murray, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

REGIONAL TOURISM PROFILE

In 2013-14, visitors to the Murray contributed a total of \$1.8 billion in direct tourism consumption to the Murray economy. The majority of visitor consumption in the region was contributed by intrastate overnight visitors (\$810 million). In relative terms, intrastate overnight visitors to Murray spend the most per night (\$208) on average.

Tourism activity summary – Murray

Visitor segment	Nights/ Trips ('000)	Nights/ Trips (%)	Consumption (\$ million)	Consumption (%)	\$ per night/ trip
Day-trippers	2,930	29%	460	26%	\$157
Intrastate overnight	3,903	38%	810	46%	\$208
Interstate overnight	1,984	20%	391	22%	\$197
International overnight	1,330	13%	107	6%	\$81

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 Murray'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 Murray*

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

Murray	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)	1,384	1,456	1,422	1,534	1,540	1,657	1,710	1,885	4.5%	10.2%
% share of the regional economy	13.8%	13.2%	12.7%	13.0%	12.3%	12.7%	12.7%	13.5%		
Employment (000s)	14.9	15.5	14.7	15.5	15.7	16.4	16.6	18.4	3.0%	10.5%
% share of the regional economy	10.7%	11.1%	10.6%	11.1%	11.3%	11.7%	11.9%	13.2%		

*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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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.

