

Tourism is a significant part of the NSW economy. In 2013-14, tourism contributed \$34.9 billion (Tourism Consumption) to the NSW economy and employed 272,000 people.

This document provides a summary of tourism's contribution to the economy of NSW based on the following reports from Tourism Research Australia:

- **State Tourism Satellite Accounts** – details the economic contribution of tourism in terms of Employment, Consumption, Gross Value Added (GVA) and Gross State Product (GSP). These indicators are measured in terms of direct and indirect contribution to the economy, with direct contribution being the key measure.
- **Tourism Businesses in Australia June 2010 to June 2013** – focusses on tourism business count by employment size, industry type, location and financial performance.



(Credit: Destination NSW)



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KEY RESULTS

In 2013-14, tourism made the following contributions to the economy of NSW:

Employment

- Tourism generated 272,000 jobs, or 1 in every 13 jobs in the state. Tourism directly employed 159,000 people with a further 113,000 people employed indirectly.

Consumption

- Tourism consumption reached \$34.9 billion. Domestic tourism accounted for \$25.7 billion with international tourism contributing a further \$9.2 billion.

Gross Value Added (GVA)

- Tourism's GVA was \$26.2 billion. Direct GVA accounted for \$12.8 billion with indirect GVA accounting for a further \$13.4 billion.

Gross State Product (GSP)

- Tourism's GSP contribution was \$29.7 billion. The direct GSP contribution was \$13.9 billion with an indirect contribution of \$15.7 billion.

Tourism Businesses

- There are 90,875 **businesses involved** in tourism in NSW. 63 per cent of tourism businesses are in Sydney and 37 per cent are in Regional NSW.

NOTES

Tourism Consumption is the total value of tourism goods and services consumed by residents and visitors from overseas in Australia.

Gross Value Added (GVA) is total labour income and capital revenue by industry plus net taxes that government receives from production.

Gross State Product (GSP) is the Tourism GVA plus net taxes on products attributable to the tourism industry.

More definitions are contained within and at the end of this document.



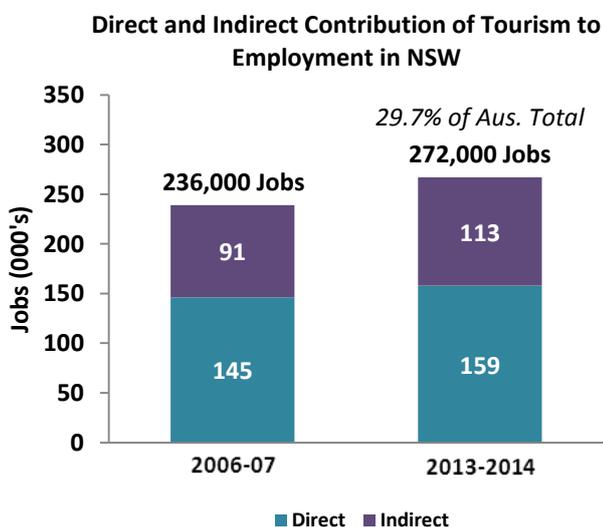
NSW contributed the most to the Australian economy – 29.7 per cent of direct national tourism employment, 30.8 per cent of national tourism consumption, 32.1 per cent of national direct tourism GVA, 32.1 per cent of direct tourism contribution to the national Gross Domestic Product (GDP) and 34.1 per cent of all tourism businesses in Australia.

EMPLOYMENT

In 2013-14, the tourism industry in NSW directly employed 159,000 people. This equates to 29.7 per cent of the total direct tourism employment in Australia and 4.4 per cent of all jobs in NSW.

In the year 2013-14, direct tourism employment in NSW grew by 1.3 per cent. Since 2006-07, direct tourism employment in NSW has increased by 9.3 per cent, equal to an average growth rate of 1.3 per cent per annum.

NSW's share of direct tourism employment was slightly higher than last year, rising from 29.1 per cent in 2013-14 to 29.7 per cent in 2013-14.



In 2013-14, tourism's direct contribution to state employment of 159,000 jobs accounted for 58.4 per cent of total tourism employment in NSW, and 1 in 23 jobs in NSW.

The remaining 113,000 jobs, equal to 41.6 per cent, represent tourism's indirect contribution to employment. Indirect tourism accounts for 1 in 32 jobs in NSW.

NSW Tourism Employment and Job Ratio 2013-14

JOB TYPE	JOB'S (000's)	SHARE	NSW JOB RATIO
Direct	159	58%	1 in 23 Jobs
Indirect	113	42%	1 in 32 Jobs
Total	272	100%	1 in 13 Jobs

Total tourism employment (both direct and indirect) in NSW is equal to 272,000 jobs, or 29.4 per cent of the total tourism jobs in Australia. Tourism is responsible for 7.6 per cent of total employment in NSW, equal to 1 in 13 jobs.

Direct Tourism Employment by Industry 2013-14

INDUSTRY SEGMENT	JOB'S (000's)	SHARE OF NSW TOTAL
Cafes, Restaurants and Takeaway Food	41.7	26.2%
Retail Trade	31.9	20.1%
Accommodation	20.4	12.8%
Education and Training	11.3	7.1%
Travel Agency and Tour Operator Services	10.7	6.7%
All Other	42.9	27.0%
Total - Tourism	159	100%

The largest share of direct tourism employment in NSW comes from the café / restaurant / takeaway food sector. The total number of direct tourism jobs in this industry equates to 41,700 or 26.2 per cent of total state direct tourism employment. Other major contributors to NSW direct tourism employment include the retail trade, accommodation, education and training, and travel agency and tour operator services.

Employed Person – A person aged 15 years or over who during the reference week worked for one hour or more for pay, profit, commission or payment in kind in a job or business or on a farm, or worked for one hour or more without pay in a family business or on a farm.

CONSUMPTION

In 2013-14, tourism consumption in NSW was equal to \$34.9 billion, the highest level since 2006-07. This equates to 30.8 per cent of total tourism consumption in Australia.

In the year 2013-14, tourism consumption in NSW grew by 6.1 per cent. Since 2006-07, tourism consumption in NSW has increased by 28.2 per cent, equal to an average growth rate of 3.6 per cent per annum.

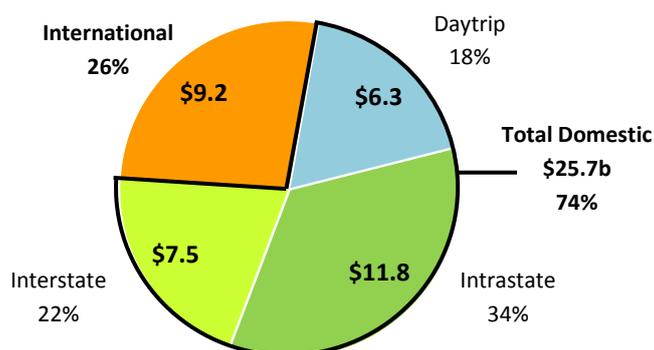
NSW's share of tourism consumption has increased over the last year, rising from 30.0 per cent in 2012-13 to 30.8 per cent in 2013-14.

NSW Tourism Consumption by International and Domestic Visitors



In 2013-14, domestic tourism consumption was \$25.7 billion, accounting for 73.7 per cent of total tourism consumption in NSW. The largest share of domestic consumption comes from intrastate travel, which accounts for 34 per cent of total consumption. International tourism consumption of \$9.2 billion is equal to 26.3 per cent of the total.

NSW Tourism Consumption by Visitor Source Market 2013-14 (\$ billion)



Though overall tourism consumption has grown since 2006-07, the domestic vs. international percentage share of total NSW tourism consumption has remained relatively steady. In the last year, domestic and international tourism consumption both grew by 6.1 and 6.4 per cent, respectively.

Tourism Consumption by Product 2013-14

PRODUCT	CONSUMPTION (\$ billion)	SHARE OF NSW TOTAL
Takeaway and Restaurant Meals	5.69	16.3%
Shopping (incl. gifts / souvenirs)	4.39	12.6%
Accommodation Services	4.29	12.3%
Long Distance Passenger Transport	4.26	12.2%
Fuel (Petrol)	3.47	9.9%
All Other	12.76	36.6%
Total - Tourism	34.85	100%

The largest share of tourism consumption in NSW comes from takeaway and restaurant meals. Total consumption of this product equates to \$5.7 billion or 16.3 per cent of the total State tourism consumption. Other major contributors to NSW tourism consumption include shopping, accommodation services, long distance passenger transport and petrol.

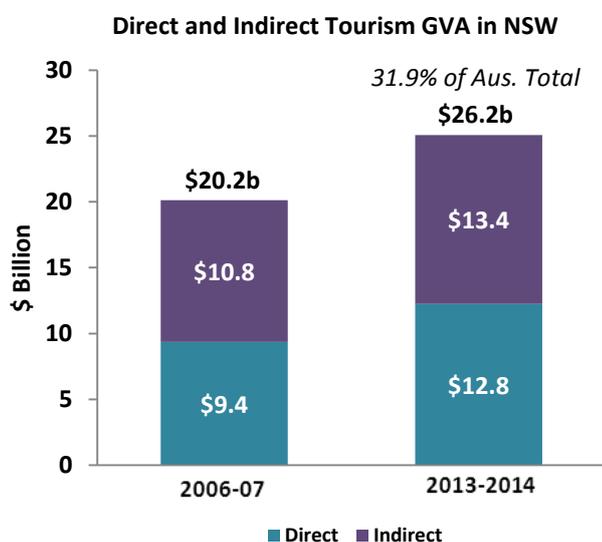
Tourism Consumption – The total value of tourism goods and services consumed by residents and visitors from overseas in Australia. It includes household, business and government tourism consumption. It represents the price paid by the visitor (which therefore includes taxes and subsidies) and is measured in purchasers' prices.

GROSS VALUE ADDED (GVA)

In 2013-14, direct tourism GVA in NSW was equal to \$12.8 billion, the highest level since 2006-07. This equates to 32.1 per cent of the total national direct tourism GVA and 2.8 per cent of the total NSW GVA.

In the year to 2013-14, direct tourism GVA in NSW grew by 5.3 per cent. Since 2006-07, direct tourism GVA in NSW has increased by 36.9 per cent, equal to an average rate of 4.6 per cent per annum.

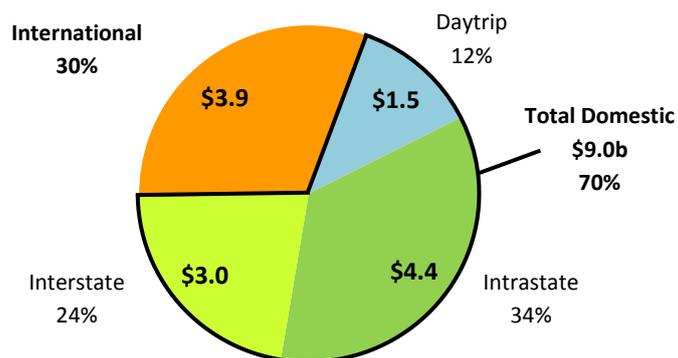
NSW's share of direct tourism GVA was slightly higher than last year, rising from 31.5 per cent in 2012-13 to 32.1 per cent in 2013-14.



In 2013-14, direct GVA of \$12.8 billion accounted for 48.9 per cent of total GVA for NSW. The remaining \$13.4 billion or 51.1 per cent was indirect GVA.

Total tourism GVA (both direct and indirect) in NSW was equal to \$26.2 billion. This equates to 31.9 per cent of the total national tourism GVA and 5.8 per cent of the total NSW GVA.

NSW Tourism Direct GVA by Visitor Source Market 2013-14 (\$ billion)



Domestic visitation accounts for 70 per cent of direct tourism GVA compared to international tourism which accounts for 30 per cent. Intrastate tourism accounts for the largest share of the domestic market with 34 per cent of total direct tourism GVA.

Direct Tourism GVA by Industry 2013-14

INDUSTRY SEGMENT	GVA (\$ billion)	SHARE OF NSW TOTAL
Accommodation	2.30	18.0%
Air, Water and Other Transport	1.77	13.8%
Other Retail Trade	1.72	13.4%
Cafes, Restaurants and Takeaway Food	1.44	11.2%
Ownership of Dwellings	1.16	9.1%
All Other	4.42	34.5%
Total - Tourism	12.82	100%

The largest share of direct tourism GVA in NSW comes from the accommodation sector. The total direct GVA contribution of this industry equates to \$2.3 billion or 18.0 per cent of the total state direct tourism GVA. Other major contributors to NSW direct tourism GVA include transport, retail trade, cafes / restaurants / takeaway food and ownership of dwellings.

Gross Value Added (GVA) –GVA includes the total labour income and capital revenue received by the industry and the net taxes that government receives from the production, and is measured in basic prices.

GROSS STATE PRODUCT (GSP)

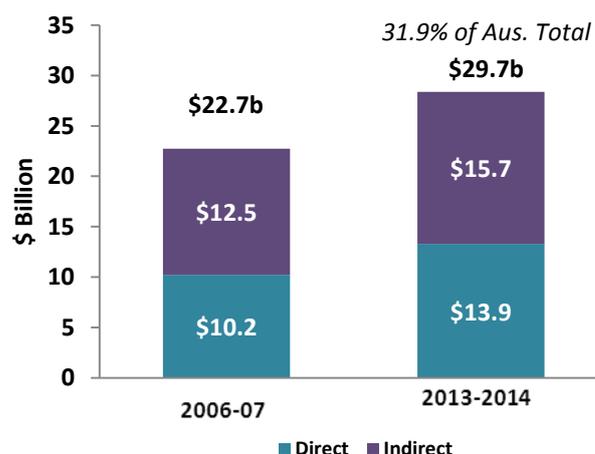
In 2013-14, tourism's direct contribution to the NSW GSP was equal to \$13.9 billion, the highest level since 2006-07. This equates to 32.1 per cent of tourism's direct contribution to Australia's Gross Domestic Product (GDP) and 2.8 per cent of the total NSW GSP.

In the year to 2013-14, direct tourism GSP in NSW grew by 5.5 per cent. Since 2006-07, direct tourism GSP in NSW has increased by 36.2 per cent, equal to an average rate of 4.5 per cent per annum.

NSW's share of direct tourism GSP was slightly higher than last year, rising from 31.5 per cent in 2012-13 to 32.1 per cent in 2013-14.

In 2013-14, direct contributions to GSP of \$13.9 billion, accounted for 47.0 per cent of total tourism GSP for NSW. The remaining \$15.7 billion, equal to 53.0 per cent, were from indirect contributions to tourism GSP.

Direct and Indirect Contribution of Tourism to GSP in NSW



The total tourism contribution to GSP (both direct and indirect) in NSW was equal to \$29.7 billion. This equates to 31.9 per cent of the total national tourism contribution to GSP. Tourism's direct and indirect contributions to GSP accounts for 6.0 per cent of the total NSW GSP.

Gross State Product (GSP) – Tourism GVA plus net taxes on products that are attributable to the tourism industry. As such it generally has a higher value than tourism GVA. It is the equivalent of a Gross Domestic Product (GDP) but at a state level.

DEFINITIONS

Tourism Satellite Account (TSA) – A set of financial accounts that measure the economic impact of tourism. The TSA calculates the impact of tourism by using data on the purchase and consumption of different goods and services across the economy.

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. For example, a visitor purchasing a meal in a restaurant.

Indirect Contribution of Tourism – The subsequent or flow-on effects created by the requirement for inputs from those industries supplying goods and services to tourists. For example, a restaurant purchasing ingredients in order to make a meal for a paying visitor.

NOTES

For more detailed information including a more extensive range of definitions and information on how the Tourism Satellite Account is modelled, please see State Tourism Satellite Accounts 2013-14 report at the Tourism Research Australia website at www.tra.gov.au

BUSINESSES

NSW led the country with 90,875 tourism businesses in June 2013 (34 per cent of tourism businesses in Australia), followed by Victoria (26 per cent) and Queensland (19 per cent).

In June 2013, NSW had more than 51,100 employing businesses (56 per cent share) and more than 39,700 non-employing businesses (44 per cent).

NSW and Victoria had the highest proportion of non-employing businesses (44 per cent each). Queensland had the highest proportion of tourism businesses in regional areas (58 per cent).

Over half of the employing businesses in NSW were micro businesses (60 per cent), 31 per cent were small business, 8 per cent were medium-sized and 0.4 per cent were large-sized.

Sydney had more than 57,300 tourism businesses or 63 per cent share of the State while Regional NSW had a 37 per cent share.

Of the tourism regions in Regional NSW, the North Coast (21 per cent share) had the most tourism businesses, followed by the Hunter (17 per cent share) and the South Coast (14 per cent).

Tourism Businesses - Sydney and Regional NSW June 2013

Sydney Vs Reg. NSW	Businesses	SHARE OF NSW TOTAL
Sydney	57,305	63.1%
Regional NSW	33,570	36.9%
Total - Tourism	90,875*	100%
Tourism Region	Businesses	Share OF Regional NSW Total
North Coast	6,906	20.6%
Hunter	5,760	17.2%
South Coast	4,774	14.2%
Central NSW	2,872	8.6%
Central Coast	2,795	8.3%
All Other Regions	10,463	31.2%
Total – Tourism in Regional NSW	33,570	100%

NOTES

Tourism business count methodology was developed by Tourism Research Australia with data derived from ABS' publication 'Count of Australian Businesses Entries and Exits' (ABS Cat. No. 8165.0).

Totals may be different due to rounding of the number of businesses undertaken in the confidentialisation process by the Australian Bureau of Statistics.

The café, restaurants and takeaway food services industry had the greatest share of tourism businesses in NSW (22 per cent), followed by the taxi (7 per cent) and cultural services industries (6 per cent).

Tourism Businesses by Industry June 2013

INDUSTRY SEGMENT	Businesses	SHARE OF NSW TOTAL
Other Retail Trade	43,278	47.6%
Cafes, Restaurants and Takeaway Food	19,832	21.8%
Taxi Transport	6,305	6.9%
Cultural Services	5,524	6.1%
Accommodation	4,098	4.5%
All Other	11,846	13.0%
Total – Tourism	90,883*	100%



(Credit: Destination NSW)

