

IN FOCUS



ALICE SPRINGS LASSETER'S CASINO

ECONOMIC CONTRIBUTION OF TOURISM TO THE NORTHERN TERRITORY 2013-14

Report date: June 2012/13 - 2013/14

OVERVIEW

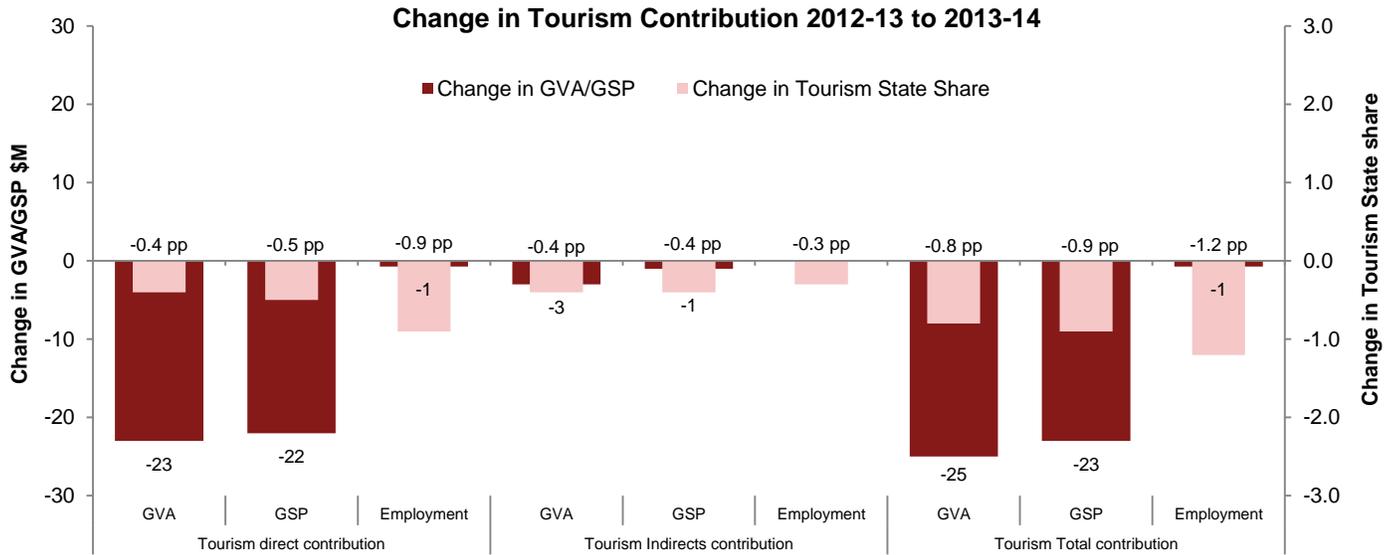
	DIRECT CONTRIBUTION		INDIRECT CONTRIBUTION		TOTAL CONTRIBUTION	
	NT	AUS	NT	AUS	NT	AUS
GVA						
Tourism GVA (\$m)	790	39,900	823	42,231	1,614	82,131
Total GVA (\$m)	-	-	-	-	20,313	1,461,165
<i>Tourism share of GVA (%)</i>	3.8	2.7	3.9	2.9	7.7	5.5
GSP						
Tourism GSP, GDP (\$m)	878	43,444	904	49,671	1,782	93,115
Total GSP, GDP (\$m)	-	-	-	-	21,205	1,559,662
<i>Tourism share of GSP, GDP (%)</i>	4.0	2.7	4.1	3.1	8.1	5.9
Employment						
Tourism employment ('000)	7.5	534	7.7	391	15	925
Total employment ('000)	-	-	-	-	133	11,554
<i>Tourism share of employment (%)</i>	5.7	4.7	5.8	3.4	12	8.1

Total tourism GVA in the NT was \$1.61 billion or 7.7% of total GVA in 2013-14.

3.8% of the Territory's total GVA is a direct contribution of tourism, representing \$790 million.

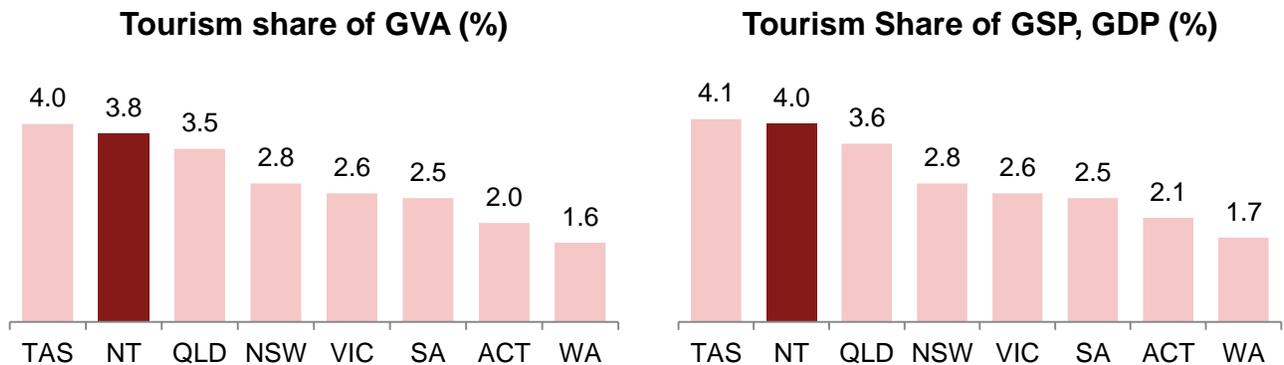
Total tourism share of GSP in the NT is 8.1% and the share of total employment is higher at 12%.

OVERVIEW CONTINUED



Tourism GVA and GSP have both decreased in value over the past yearly period, as a result the share of tourism GVA and GSP have both decreased. This has remained true for both indirect and direct contributions. Tourism employment over the past year has remained steady overall despite a small decrease in employment by direct contributions.

DIRECT CONTRIBUTION

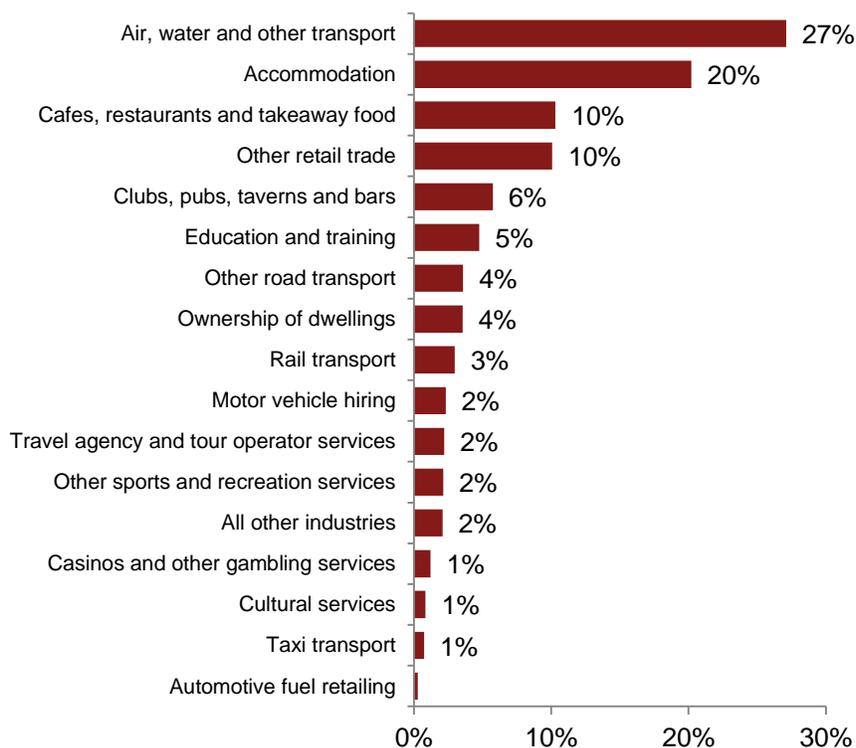


The NT has a higher reliance on tourism than any other state or territory apart from Tasmania. This is highlighted by the higher share of GVA and GSP that tourism contributes to the economy. This statement has remained true despite the share of GVA and GSP for tourism declining over the past year.

DIRECT CONTRIBUTION CONTINUED

INDUSTRY SECTORS	TOURISM GVA (\$m)	SHARE OF TOURISM GVA (%)
Air, water and other transport	214	27%
Accommodation	160	20%
Cafes, restaurants and takeaway food services	81	10%
Clubs, pubs, taverns and bars	45	6%
Ownership of dwellings	28	4%
Rail transport	23	3%
Motor vehicle hiring	18	2%
Travel agency and tour operator services	17	2%
Casinos and other gambling services	10	1%
Cultural services	7	1%
Taxi transport	6	1%
Other sports and recreation services	17	2%
Other road transport	28	4%
Total tourism characteristics industries	655	83%
Automotive fuel retailing	2	0%
Education and training	38	5%
Other retail trade	80	10%
Total tourism connected industries	119	15%
All other industries	16	2%
Total direct, at basic prices	790	100%

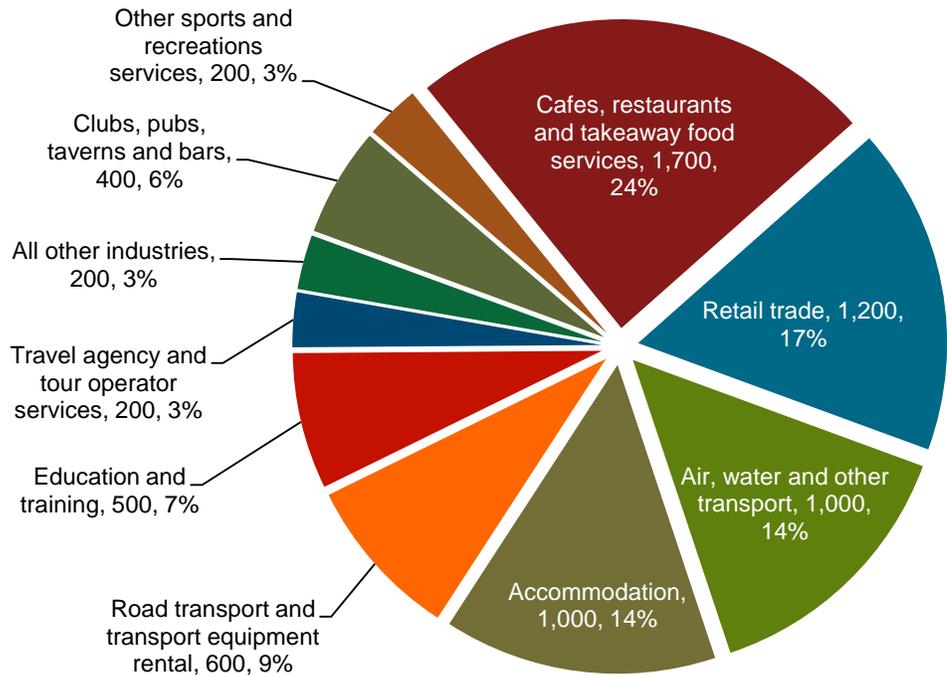
Share of Tourism GVA



The largest industries that directly contribute to tourism GVA in the NT include 'air, water and other transport'; 'accommodation'; and 'cafes, restaurants and takeaway food'.

DIRECT TOURISM EMPLOYMENT

The largest sectors that contribute to tourism employment in the NT include 'cafes, restaurants and takeaway food services'; 'retail trade'; and 'air, water and other transport'.



DEFINITIONS

What is a Tourism Satellite Account? Tourism Satellite Accounts (TSA) are used to supplement the System of National Accounts by measuring the economic contribution of tourism. The TSA estimates the worth of the tourism sector by combining the contributions of various goods and services across the economy. This then makes it possible to compare the economic contribution of the tourism industry, and its individual sectors, to conventional industries.

Concept of tourism: Tourism is defined differently to other standard industries, such as manufacturing or transport, as it is defined by the nature of the consumer (demand side), rather than the process by which goods or services are produced (supply side). Tourism is a component of many other standard industries, as tourists create demand in a range of industries including accommodation, cafes, restaurants, retail trade and transport.

A tourist or visitor is defined as any person travelling for business or leisure, but not people travelling as part of a permanent migration or regular commuting. In Australia, using Australian Bureau of Statistics and Tourism Research Australia definitions, a domestic tourist is a person travelling at least 40km each way overnight or at least 25km each way on a day trip.

Tourism Consumption The total value of 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.

Tourism Gross Domestic Product (GDP) or Tourism Gross State Product (GSP) Refers to 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. Direct and indirect flow-on GSP are measured separately using the TSA framework and Input Output (IO) modeling techniques respectively. Combined they provide an estimate of total tourism GSP.

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 receives from the production and is measured in basic prices. Direct and indirect flow-on GVA are measured separately using the TSA framework and IO modeling techniques respectively. Combined they provide an estimate of total tourism GVA.

Direct contribution of tourism - Refers to 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, the direct effects of an increase in visitors staying in hotel accommodation are the sales and any associated changes in payments for wages and salaries, taxes and supplies and services. These direct economic impacts are measured according to the TSA framework.

Indirect contribution of tourism - Relates to the subsequent or flow-on effects created by the requirement for inputs from those industries directly supplying goods and services to tourists. For example, in the case of the hotel industry, this might include the fresh produce supplied to it and the electricity used. Inclusion of indirect contributions is not valid when comparing tourism against other industries (as this would involve extensive double counting), however it is useful when considering tourism in isolation and the flow-on effect and impact it has on the total economy.

Tourism characteristic industry – An industry that would either cease to exist in its present form, or would be significantly affected if tourism were to cease.

Tourism connected industry – An industry, other than a tourism characteristic industry, for which a tourism product is directly identifiable to it and the volume consumed by visitors is significant.

SOURCE

Estimates reported have been gathered from the report *State Tourism Satellite Accounts 2013-14*: produced by Tourism Research Australia (TRA), *Australian National Accounts: National Income, Expenditure and Product, Dec 2014* and *Labour Force, Australia, Mar 2015*: produced by Australian Bureau of Statistics (ABS).

The national benchmark data for the back-cast years (2006–07, 2007–08, 2008–09, 2009–10, 2010–11, 2011–12 and 2012-13) were obtained from the 2013–14 TSA while regional expenditure data were collated for each of these years.