



Tourism is a significant part of the NSW economy. In 2015-16, tourism contributed \$38.1 billion (Tourism Consumption) to the NSW economy and employed 261,100 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** – focusses on tourism business count by employment size, industry type, location and financial performance.



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.



KEY RESULTS

In 2015-16, tourism made the following contributions to the economy of NSW:

Employment

- Tourism generated 261,100 jobs, or 1 in every 14 jobs in the state. Tourism directly employed 164,000 people with a further 97,200 people employed indirectly.

Consumption

- Tourism consumption reached \$38.1 billion. Domestic tourism accounted for \$26.3 billion with international tourism contributing a further \$11.9 billion.

Gross Value Added (GVA)

- Tourism's GVA was \$29.1 billion. Direct GVA accounted for \$15.0 billion with indirect GVA accounting for a further \$14.1 billion.

Gross State Product (GSP)

- Tourism's GSP contribution was \$32.5 billion. The direct GSP contribution was \$16.3 billion with an indirect contribution of \$16.2 billion.

Tourism Businesses

- There were 96,302 businesses involved in tourism in NSW as at June 2016. Around 64.4 per cent of tourism businesses were in Sydney and 35.6 per cent were in regional NSW.



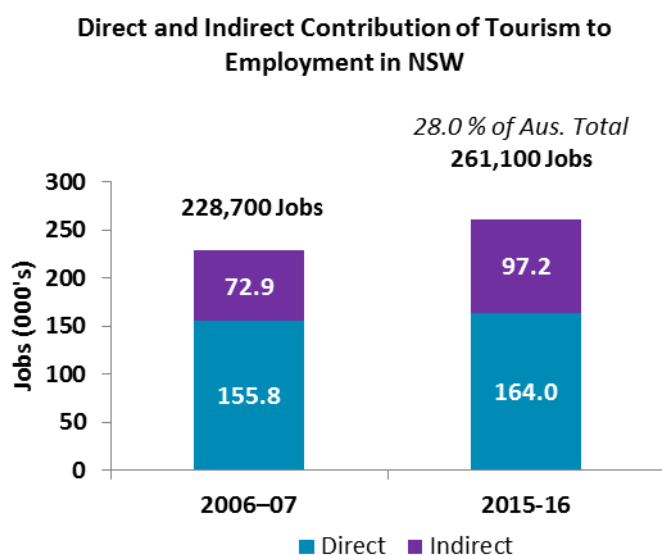
NSW contributed the most to the Australian economy – 28.3 per cent of national direct tourism employment, 29.3 per cent of national tourism consumption, 30.8 per cent of national direct tourism Gross Value Added, 30.7 per cent of national direct Gross Domestic Product and 34.3 per cent of all tourism businesses in Australia.

EMPLOYMENT

In 2015-16, there were 164,000 direct tourism jobs in NSW, which equates to 4.3 per cent of all jobs or 1 in 23 jobs in the State. Direct tourism jobs accounted for 62.8 per cent of NSW tourism jobs in 2015-16.

NSW had the highest share of direct tourism employment in Australia at 28.3 per cent, followed by Queensland (23.7 per cent) and Victoria (23.1 per cent).

In 2015-16, direct tourism employment in NSW slightly declined by 0.2 per cent. Since 2006-07, direct tourism employment in NSW has increased by 5.2 per cent, equal to a compound average growth rate of 0.6 per cent per annum.



NSW had 97,200 indirect tourism jobs, which equates to 1 in 39 jobs in NSW and accounted for 37.2 per cent of NSW tourism jobs. In 2015-16, the State recorded its highest number of indirect tourism jobs since 2006-07.

NSW Tourism Employment and Job Ratio 2015-16

JOB TYPE	JOB'S (000's)	SHARE	NSW JOB RATIO
Direct	164.0	63%	1 in 23 Jobs
Indirect	97.2	37%	1 in 39 Jobs
Total	261.1	100%	1 in 14 Jobs

Total tourism employment (both direct and indirect) in NSW is equal to 261,100 jobs or 28.0 per cent of the total tourism jobs in Australia. Tourism is responsible for 6.9 per cent of total employment in NSW, equal to 1 in 14 jobs.

In 2015-16, NSW recorded its highest volume of total tourism jobs since 2006-07. Total tourism employment in NSW has increased by 14.2 per cent since 2006-07, equal to a compound average growth rate of 1.5 per cent per annum.

Direct Tourism Employment by Industry 2015-16

INDUSTRY SEGMENT	JOB'S (000's)	SHARE OF NSW TOTAL	NSW SHARE OF AUSTRALIA
Cafes, restaurants and takeaway food services	45.6	27.8%	28.2%
Retail trade	30.9	18.9%	30.2%
Accommodation	22.6	13.8%	27.3%
Education and training	13.9	8.5%	30.8%
Air, water and other transport	9.9	6.0%	26.9%
All Other	41.0	25.0%	27.1%
Total - Tourism	164.0	100%	28.3%

The largest share of direct tourism employment in NSW comes from the café / restaurant / takeaway food sector with 45,600 jobs or 27.8 per cent of total state direct tourism employment. Other major contributors to NSW direct tourism employment include the retail trade, accommodation, and education and training.

Compared to the same industry segment in Australia, education and training had the largest share of national direct tourism employment (13,900 or 30.8 per cent), followed by retail trade (30,900 or 30.2 per cent).

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.

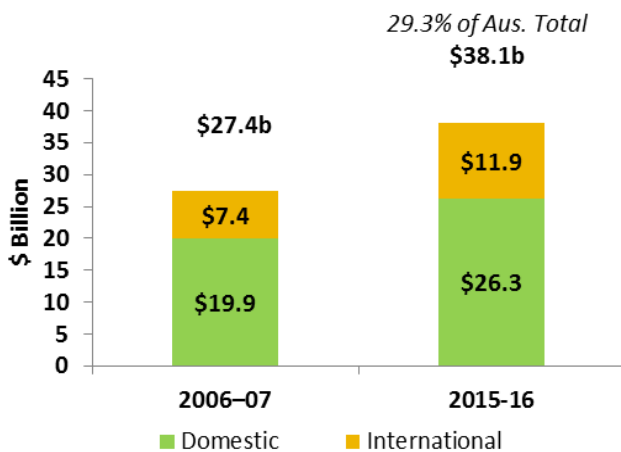
CONSUMPTION

In 2015-16, tourism consumption in NSW was \$38.1 billion, the highest level since 2006-07.

NSW had the highest share of tourism consumption in Australia at 29.3 per cent, followed by Queensland (23.1 per cent) and Victoria (22.3 per cent).

In 2015-16, tourism consumption in NSW grew by 5.2 per cent. Since 2006-07, tourism consumption in NSW has increased by 39.3 per cent, equal to a compound average growth rate of 3.7 per cent per annum.

NSW Tourism Consumption by International and Domestic Visitors



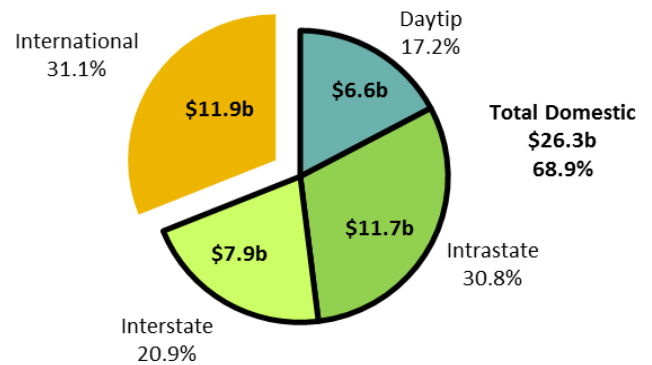
In 2015-16, domestic tourism consumption was \$26.3 billion, accounting for 68.9 per cent of total tourism consumption in NSW. The remaining \$11.9 billion or 31.1 per cent was international consumption, which achieved its highest share of total consumption since 2006-07.

Both domestic and international tourism consumption achieved their highest levels in 2015-16.

Intrastate travel contributed the most to domestic tourism consumption, accounting for 30.8 per cent of total consumption.

Interstate consumption however has outgrown intrastate and day trip consumption, up 38.3 per cent on 2006-07 (intrastate: up 28.2 per cent and day trip: up 30.8 per cent).

NSW Tourism Consumption by Visitor Source Market 2015-16 (\$ billion)



While domestic tourism consumption is still the largest contributor to total consumption in NSW, international consumption increased by 14.9 per cent in 2015-16 (up \$1.5 billion). By comparison, domestic consumption grew by 1.4 per cent (up \$355 million).

Since 2006-07, international consumption in NSW has increased by 59.2 per cent while domestic consumption has grown by 31.8 per cent.

Tourism Consumption by Product 2015-16

PRODUCT	CONSUMPTION (\$ billion)	SHARE OF NSW TOTAL	NSW SHARE OF AUSTRALIA
Takeaway and restaurant meals	6.5	17.1%	31.4%
Long distance passenger transportation	5.2	13.7%	24.4%
Shopping (including gifts and souvenirs)	4.6	12.0%	29.5%
Accommodation services	4.5	11.9%	30.3%
Fuel (petrol, diesel)	3.1	8.2%	30.8%
All Other	14.1	37.0%	23.0%
Total - Tourism	38.1	100%	29.3%

The largest share of tourism consumption in NSW comes from takeaway and restaurant meals, valued at \$6.5 billion or 17.1 per cent of the total State tourism consumption and 31.4 per cent of national tourism consumption, the highest share of that product in Australia.

Other major contributors to NSW tourism consumption include long distance passenger transport, shopping and accommodation services.

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.

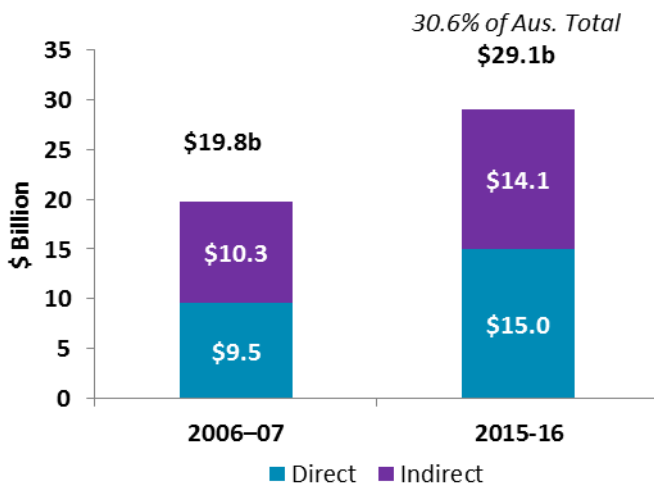
GROSS VALUE ADDED (GVA)

In 2015-16, direct tourism GVA in NSW was \$15.0 billion, the highest level since 2006-07. This equates to 3.0 per cent of the total NSW GVA.

NSW had the highest share of national direct tourism GVA at 30.8 per cent, followed by Queensland (23.7 per cent) and Victoria (21.6 per cent).

In 2015-16, direct tourism GVA in NSW grew by 6.7 per cent. Since 2006-07, direct tourism GVA in NSW has increased by 56.8 per cent, equal to a compound average rate of 5.1 per cent per annum.

Direct and Indirect Tourism GVA in NSW



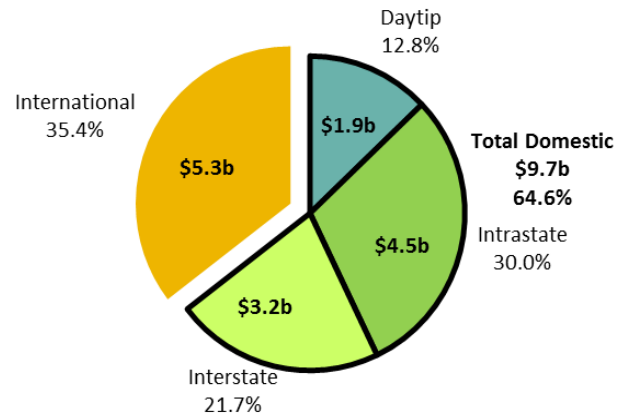
In 2015-16, direct tourism GVA accounted for 51.5 per cent of total tourism GVA for NSW. This was the highest share of direct tourism GVA to total NSW tourism GVA since 2006-07.

The remaining \$14.1 billion or 48.5 per cent was indirect tourism GVA.

Both direct and indirect tourism GVA achieved their highest levels in 2015-16.

Total tourism GVA (both direct and indirect) in NSW was equal to \$29.1 billion, the highest level since 2006-07. This equates to 30.6 per cent of the national tourism GVA and 5.8 per cent of the total NSW GVA.

NSW Tourism Direct GVA by Visitor Source Market 2015-16 (\$ billion)



Domestic visitation accounts for 64.6 per cent of direct tourism GVA compared to international tourism which accounts for 35.4 per cent. Intrastate tourism accounts for the largest share of the domestic market with 30.0 per cent of NSW direct tourism GVA.

Direct Tourism GVA by Industry 2015-16

INDUSTRY SEGMENT	GVA (\$ billion)	SHARE OF NSW TOTAL	NSW SHARE OF AUSTRALIA
Air, water and other transport	2.5	16.4%	29.9%
Accommodation	2.3	15.3%	30.8%
Cafes, restaurants and takeaway food services	1.9	12.8%	31.8%
Other retail trade	1.9	12.4%	30.9%
Ownership of dwellings	1.3	8.9%	32.6%
All Other	5.1	34.1%	30.5%
Total - Tourism	15.0	100%	30.8%

The largest share of direct tourism GVA in NSW comes from the air, water and other transport sector. The direct GVA contribution of this industry equates to \$2.5 billion or 16.4 per cent of the State direct tourism GVA.

Other major contributors to NSW direct tourism GVA include accommodation, cafes/restaurants/takeaway food and other retail trade.

The ownership of dwellings sector in NSW has the largest share of that industry in Australia (32.6 per cent).

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 2015-16, direct tourism contribution to GSP in NSW was \$16.3 billion, the highest level since 2006-07. This equates to 3.0 per cent of the total NSW GSP.

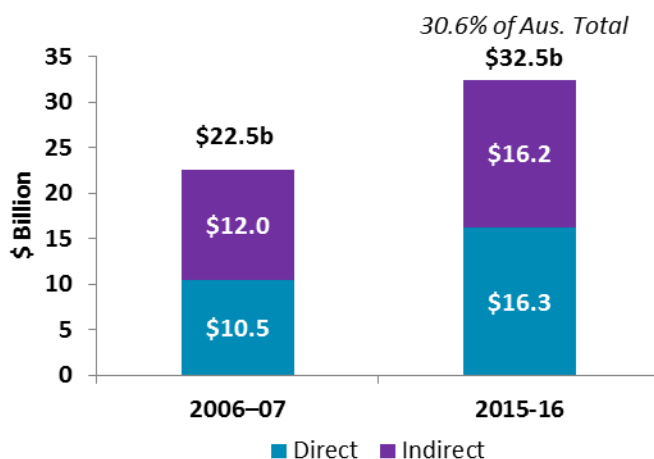
NSW had the highest share of national direct tourism GSP at 30.7 per cent, followed by Queensland (23.8 per cent) and Victoria (21.4 per cent).

In 2015-16, direct tourism GSP in NSW grew by 6.6 per cent. Since 2006-07, direct tourism GSP in NSW has increased by 55.3 per cent, equal to a compound average rate of 5.0 per cent per annum.

In 2015-16, direct contribution to tourism GSP accounted for 50.1 per cent of total tourism GSP for NSW. This was the highest share of direct tourism GSP to total tourism GSP since 2006-07.

The remaining \$16.2 billion or 49.9 per cent were from indirect contribution, the highest level since 2006-07. This has grown by 5.5 per cent in 2015-16. Since 2006-07, indirect tourism GSP in NSW has increased by 34.5 per cent, equal to a compound average rate of 3.3 per cent per annum.

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 \$32.5 billion, the highest level since 2006-07. This equates to 30.6 per cent of the national tourism to GSP, highest contribution of any State/Territory in Australia for the year. Tourism's direct and indirect contribution to GSP accounts for 6.0 per cent of the total NSW GSP.

In 2015-16, total tourism contribution to GSP in NSW grew by 6.0 per cent. Since 2006-07, direct tourism GSP in NSW has increased by 44.2 per cent, equal to a compound average rate of 4.1 per cent per annum.

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 2015-16 report at the Tourism Research Australia website at www.tra.gov.au

TOURISM BUSINESSES

NSW led the country in the number of tourism businesses in June 2016 (34 per cent share), followed by Victoria (27 per cent) and Queensland (19 per cent).

Around three-fifths of NSW tourism businesses were employing businesses (57 per cent share) and 43 per cent were non-employing businesses.

Over 60 per cent of the employing businesses in NSW were micro businesses (61 per cent), 31 per cent were small, 8 per cent were medium and 1 per cent were large businesses.

Sixty-four per cent of the total tourism businesses were located in Sydney while 36 per cent were in regional NSW.

Of the tourism regions in regional NSW, the North Coast (7,028 or 21 per cent share of regional NSW) had the most tourism businesses, followed by the Hunter (5,829 or 17 per cent share) and the South Coast (4,938 or 14 per cent).

Tourism Businesses - Sydney and regional NSW June 2016

Sydney Vs Reg. NSW	Businesses	SHARE OF NSW TOTAL
Sydney	62,052	64.4%
Regional NSW	34,250	35.6%
Total - Tourism	96,302*	100%
Tourism Region	Businesses	Share OF regional NSW Total
North Coast NSW	7,028	20.5%
Hunter	5,829	17.0%
South Coast	4,938	14.4%
Central Coast	2,952	8.6%
Central NSW	2,947	8.6%
All Other Regions	10,556	30.8%
Total – Tourism in Regional NSW	34,250	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.

Other retail trade had the greatest share of tourism businesses in NSW (45 per cent), followed by café, restaurants and takeaway food services (24 per cent), taxi (8 per cent) and cultural services industries (6 per cent).

Tourism Businesses by Industry June 2016

INDUSTRY SEGMENT	Businesses	SHARE OF NSW TOTAL
Other Retail Trade	42,670	44.8%
Cafes, Restaurants and Takeaway Food	22,891	24.0%
Taxi Transport	7,293	7.7%
Cultural Services	5,470	5.7%
Accommodation	4,034	4.2%
All Other	12,897	13.5%
Total – Tourism	95,255*	100%

