Tourism is a significant part of the NSW economy. In 2014-15, tourism contributed $37.1 billion (Tourism Consumption) to the NSW economy and employed 269,600 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 2011 to June 2015** – focuses on tourism business count by employment size, industry type, location and financial performance.

### KEY RESULTS

In 2014-15, tourism made the following contributions to the economy of NSW:

**Employment**
- Tourism generated 269,600 jobs, or 1 in every 14 jobs in the state. Tourism directly employed 171,900 people with a further 97,700 people employed indirectly.

**Consumption**
- Tourism consumption reached $37.1 billion. Domestic tourism accounted for $26.8 billion with international tourism contributing a further $10.3 billion.

**Gross Value Added (GVA)**
- Tourism’s GVA was $27.6 billion. Direct GVA accounted for $13.9 billion with indirect GVA accounting for a further $13.6 billion.

**Gross State Product (GSP)**
- Tourism’s GSP contribution was $31.0 billion. The direct GSP contribution was $15.2 billion with an indirect contribution of $15.8 billion.

**Tourism Businesses**
- There are 93,630 businesses involved in tourism in NSW. 63.9 per cent of tourism businesses are in Sydney and 36.1 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 this document.
NSW contributed the most to the Australian economy – 29.6 per cent of direct national tourism employment, 30.6 per cent of national tourism consumption, 32.0 per cent of national direct tourism GVA, 32.0 per cent of direct tourism contribution to the national Gross Domestic Product (GDP) and 34.3 per cent of all tourism businesses in Australia.

EMPLOYMENT

In 2014-15, the tourism industry in NSW directly employed 171,900 people. This equates to 29.6 per cent of the total direct tourism employment in Australia and 4.7 per cent of all jobs in NSW.

In the year 2014-15, direct tourism employment in NSW grew by 5.5 per cent. Since 2006-07, direct tourism employment in NSW has increased by 10.3 per cent, equal to a compound average growth rate of 1.2 per cent per annum.

NSW’s share of direct tourism employment has slightly grown from 29.4 per cent in 2006-07 to 29.6 per cent in 2014-15.

The remaining 97,700 jobs, equal to 36.2 per cent, represent tourism’s indirect contribution to employment. Indirect tourism accounts for 1 in 37 jobs in NSW.

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 44,900 or 26.1 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 2014-15, tourism consumption in NSW was equal to $37.1 billion, the highest level since 2006-07. This equates to 30.6 per cent of total tourism consumption in Australia.

In the year 2014-15, tourism consumption in NSW grew by 3.9 per cent. Since 2006-07, tourism consumption in NSW has increased by 35.5 per cent, equal to a compound average growth rate of 3.9 per cent per annum.

NSW’s share of tourism consumption has slightly increased from 30.2 per cent in 2006-07 to 30.6 per cent in 2014-15.

In 2014-15, domestic tourism consumption was $26.8 billion, accounting for 72.2 per cent of total tourism consumption in NSW. The largest share of domestic consumption comes from intrastate travel, which accounts for 33.8 per cent of total consumption. International tourism consumption of $10.3 billion is equal to 27.8 per cent of the total.

While 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 2.3 per cent and 8.5 per cent, respectively.

The largest share of tourism consumption in NSW comes from takeaway and restaurant meals. Consumption of this product equates to $6.0 billion or 16.1 per cent of the total State tourism consumption. Other major contributors to NSW tourism consumption include long distance passenger transport, shopping, accommodation services 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 2014-15, direct tourism GVA in NSW was equal to $13.9 billion, the highest level since 2006-07. This equates to 32.0 per cent of the national direct tourism GVA and 2.9 per cent of the total NSW GVA.

In the year to 2014-15, direct tourism GVA in NSW grew by 4.8 per cent. Since 2006-07, direct tourism GVA in NSW has increased by 45.9 per cent, equal to a compound average rate of 5.7 per cent per annum.

NSW’s share of national direct tourism GVA has slightly grown from 31.8 per cent in 2006-07 to 32.0 per cent in 2014-15.

In 2014-15, direct tourism GVA of $13.9 billion accounted for 50.5 per cent of total tourism GVA for NSW. The remaining $13.6 billion or 49.5 per cent was indirect tourism GVA.

Total tourism GVA (both direct and indirect) in NSW was equal to $27.6 billion. This equates to 31.8 per cent of the national tourism GVA and 5.8 per cent of the total NSW GVA.

Domestic visitation accounts for 67.8 per cent of direct tourism GVA compared to international tourism which accounts for 32.2 per cent. Intrastate tourism accounts for the largest share of the domestic market with 33.5 per cent of NSW direct tourism GVA.

The largest share of direct tourism GVA in NSW comes from the accommodation sector. The direct GVA contribution of this industry equates to $2.3 billion or 16.4 per cent of the state direct tourism GVA. Other major contributors to NSW direct tourism GVA include other retail trade, air/water and other transport, 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 2014-15, tourism’s direct contribution to the NSW GSP was equal to $15.2 billion, the highest level since 2006-07. This equates to 32.0 per cent of tourism’s direct contribution to Australia’s Gross Domestic Product (GDP) and 3.0 per cent of the total NSW GSP.

In the year to 2014-15, direct tourism GSP in NSW grew by 4.8 per cent. Since 2006-07, direct tourism GSP in NSW has increased by 44.9 per cent, equal to a compound average rate of 4.7 per cent per annum.

NSW’s share of direct tourism GSP has slightly increased from 31.7 per cent in 2006-07 to 32.0 per cent in 2014-15.

In 2014-15, direct contributions to GSP of $15.2 billion, accounted for 49.0 per cent of total tourism GSP for NSW. The remaining $15.8 billion, equal to 51.0 per cent, were from indirect contributions to tourism GSP.

The tourism contribution to GSP (both direct and indirect) in NSW was equal to $31.0 billion. This equates to 31.7 per cent of the national tourism contribution to GSP. Tourism’s direct and indirect contribution 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 2014-15 report at the Tourism Research Australia website at www.tra.gov.au
BUSINESSES

NSW led the country with 93,630 tourism businesses in June 2015 (34.3 per cent of tourism businesses in Australia), followed by Victoria (26.6 per cent) and Queensland (18.8 per cent).

In June 2015, NSW had more than 53,300 employing businesses (57.0 per cent share) and just over 40,300 non-employing businesses (43.0 per cent).

NSW and Victoria had the highest proportion of non-employing businesses (43.0 per cent and 43.3 per cent respectively). Queensland had the highest proportion of tourism businesses in regional areas (56.0 per cent).

Over half of the employing businesses in NSW were micro businesses (60.3 per cent), 31.4 per cent were small business, 7.8 per cent were medium-sized and 0.5 per cent were large-sized.

Sydney had nearly 59,900 tourism businesses or 63.9 per cent share of the State while Regional NSW had a 36.1 per cent share.

Of the tourism regions in Regional NSW, the North Coast (20.4 per cent share) had the most tourism businesses, followed by the Hunter (17.1 per cent share) and the South Coast (14.3 per cent).

The café, restaurants and takeaway food services industry had the greatest share of tourism businesses in NSW (23.7 per cent), followed by the taxi (6.7 per cent) and cultural services industries (5.8 per cent).

### Tourism Businesses by Industry June 2015

<table>
<thead>
<tr>
<th>INDUSTRY SEGMENT</th>
<th>Businesses</th>
<th>SHARE OF NSW TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Retail Trade</td>
<td>42,987</td>
<td>46.1%</td>
</tr>
<tr>
<td>Cafes, Restaurants and Takeaway Food</td>
<td>22,085</td>
<td>23.7%</td>
</tr>
<tr>
<td>Taxi Transport</td>
<td>6,265</td>
<td>6.7%</td>
</tr>
<tr>
<td>Cultural Services</td>
<td>5,447</td>
<td>5.8%</td>
</tr>
<tr>
<td>Accommodation</td>
<td>4,083</td>
<td>4.4%</td>
</tr>
<tr>
<td>All Other</td>
<td>12,425</td>
<td>13.3%</td>
</tr>
<tr>
<td><strong>Total – Tourism</strong></td>
<td><strong>93,292</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

### Sydney Vs Reg. NSW June 2015

<table>
<thead>
<tr>
<th>Sydney Vs Reg. NSW</th>
<th>Businesses</th>
<th>SHARE OF NSW TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney</td>
<td>59,867</td>
<td>63.9%</td>
</tr>
<tr>
<td>Regional NSW</td>
<td>33,763</td>
<td>36.1%</td>
</tr>
<tr>
<td><strong>Total - Tourism</strong></td>
<td><strong>93,630</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

### Tourism Region Businesses - Sydney and Regional NSW June 2015

<table>
<thead>
<tr>
<th>Tourism Region</th>
<th>Businesses</th>
<th>Share Of Regional NSW Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Coast NSW</td>
<td>6,872</td>
<td>20.4%</td>
</tr>
<tr>
<td>Hunter</td>
<td>5,776</td>
<td>17.1%</td>
</tr>
<tr>
<td>South Coast</td>
<td>4,820</td>
<td>14.3%</td>
</tr>
<tr>
<td>Central Coast</td>
<td>2,872</td>
<td>8.5%</td>
</tr>
<tr>
<td>Central NSW</td>
<td>2,865</td>
<td>8.5%</td>
</tr>
<tr>
<td>All Other Regions</td>
<td>10,558</td>
<td>31.3%</td>
</tr>
<tr>
<td><strong>Total – Tourism in Regional NSW</strong></td>
<td><strong>33,763</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**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.*