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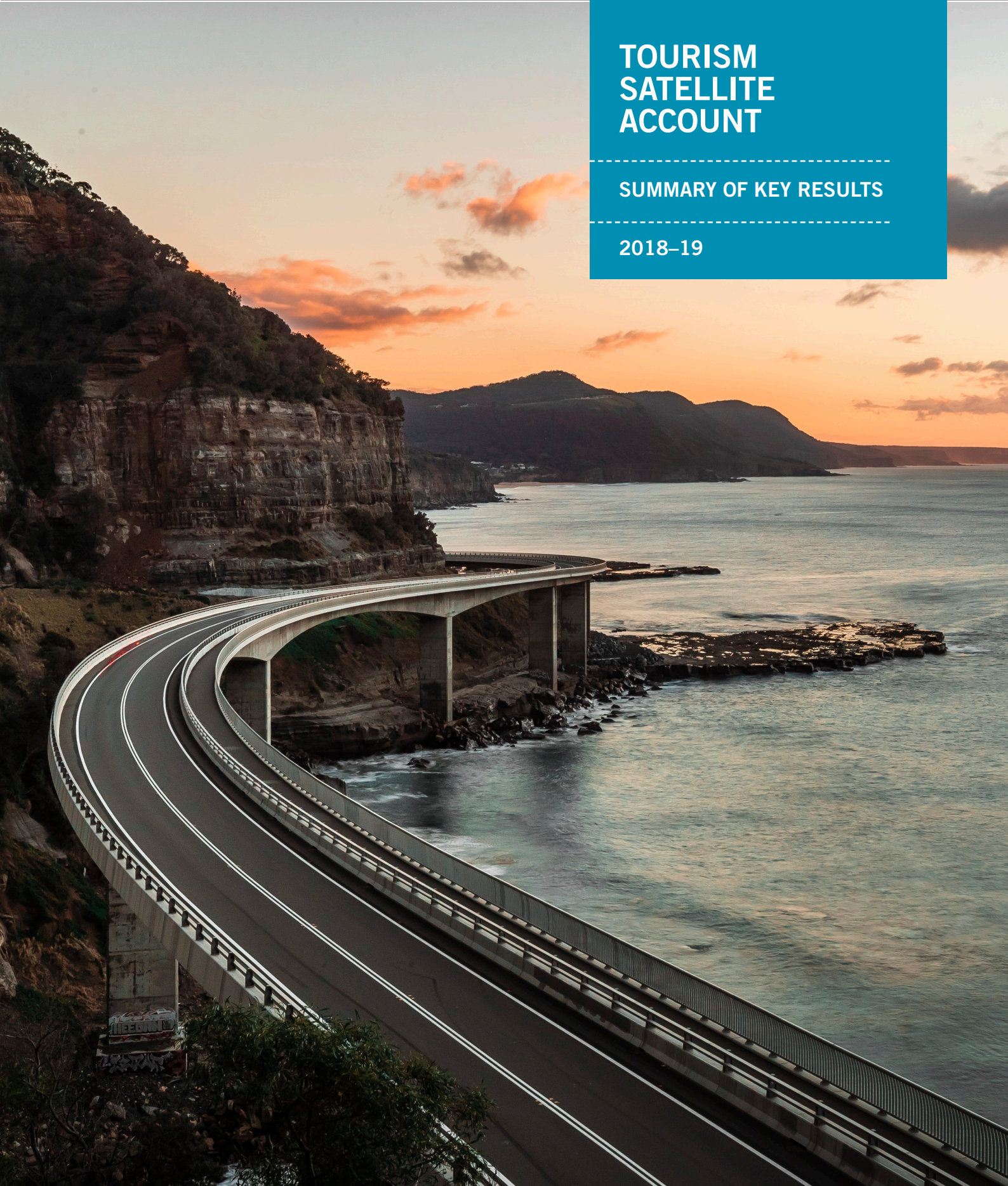


TOURISM
RESEARCH
AUSTRALIA

TOURISM SATELLITE ACCOUNT

SUMMARY OF KEY RESULTS

2018–19



ACKNOWLEDGMENTS

The Australian *Tourism Satellite Account* is published each year and provides measures of Tourism Gross Value Added, Tourism Gross Domestic Product, tourism employment and tourism trade. This enables government and industry to compare the value of tourism with other industries in the economy.

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SUMMARY OF KEY RESULTS

KEY INDICATORS FOR 2018–19

GDP

\$60.8 billion

- 3.1% of national GDP
- 3.4% growth in real GDP

.....
Tourism GDP grew faster than the national economy
.....

GVA

\$55.9 billion

- 3.1% of national GVA
- 3.3% growth in real GVA

.....
Tourism contributes more to the economy than
**agriculture, forestry and fishing, utilities and
information, media and communications**
.....



Consumption ▲ 6.2% to
\$152.0 billion

- 26% international
- 74% domestic

.....
Domestic is growing faster than international
.....



Exports ▲ 4.6% to
\$39.1 billion

- Imports ▲ 7.8% to **\$58.3 billion**
- Trade deficit ▲ **\$2.5 billion to \$19.2 billion**

.....
8.2% of Australia's exports earnings were from tourism
.....



Employment ▲ 3.3% to
666,000

- 5.2% of Australia's workforce
- 48% full time
- 54% female

.....
One in 19 Australian workers were directly employed in
tourism
.....

INTRODUCTION

In 2018–19, the average Australian took 11 day trips and spent 20 nights away from home on domestic trips. As a nation we welcomed more than 9 million overseas visitors during the year. Collectively, spend by domestic tourists and international visitors was \$146 billion.

Tourism has numerous touchpoints with the wider economy. The fees paid by a holidaymaker to a tour operator, Australian's stocking up at the supermarket to prepare for visitors, a business traveller negotiating a multi-million dollar contract or a working holidaymaker harvesting grapes are examples of the millions of transactions that contribute to our visitor economy.

The Tourism Satellite Account (TSA) make sense of all these activities, reporting on the value of goods and services consumed by visitors and the ensuing contribution to Gross Domestic Product (GDP), international trade and employment. These measures help industry and government track growth and support strategies for a stronger and more sustainable tourism industry.

HEADLINE RESULTS

In 2018–19, total tourist consumption was \$152.0 billion, which resulted in:

- \$60.8 billion in GDP to the economy (3.1% of the national total)
- Employment of 666,000 persons (5.2% of the Australian workforce)
- Exports of \$39.1 billion from international visitors to Australia
- Imports of \$58.3 billion from Australian residents travelling overseas.

Why do we have a Tourism Satellite Account?

Tourism cuts across many different industry sectors and cannot be measured in the same way as other parts of the economy. Using an internationally accepted methodology developed by the Organisation for Economic Cooperation and Development (OECD) and World Tourism Organization (UNWTO), a national Tourism Satellite Account (TSA) has been developed by the Australian Bureau of Statistics to estimate the impact of tourism on the Australian economy. The TSA is the basis for this report and is also used in preparing state and regional accounts produced by Tourism Research Australia. These will be available in the second half of 2019.

Underlying assumptions used in the TSA are revised from time to time. This process, known as benchmarking, reflects the changing relationship between tourism and the wider economy, and is essential in ensuring the estimates are an accurate reflection of the changing nature of the industry.

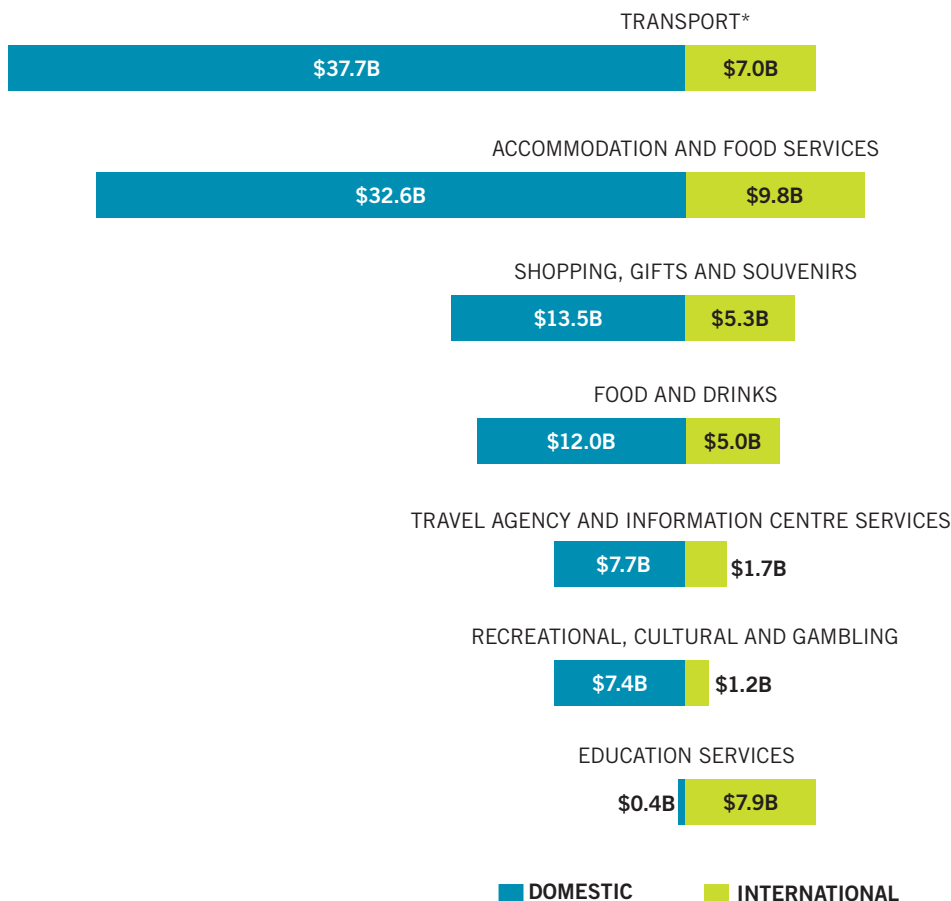
CONSUMPTION

DOMESTIC CONSUMPTION IS OUTPACING INTERNATIONAL CONSUMPTION

In 2018–19, tourism consumption in Australia increased 6.2% (or \$8.8 billion) to \$152.0 billion. Almost three-quarters of consumption (74%) came from domestic tourism, which grew 6.7% to reach \$112.9 billion. Consumption by international visitors increased a more modest 4.6% to \$39.1 billion.

- Among domestic tourists, the main items of spend were transport (33 cents of every dollar spent), accommodation and food services (29 cents), shopping (12 cents), food and drinks (11 cents), travel agency and tour operator services, and recreational, cultural and gambling activities (7 cents each).
- For every dollar spent by international visitors, 25 cents was spent on accommodation and food services, 20 cents on education, 18 cents on transport, 13 cents on shopping, and 13 cents on food and drinks.

FIGURE 1: KEY TOURISM CONSUMPTION PRODUCTS – DOMESTIC AND INTERNATIONAL VISITORS 2018–19



*Transport includes rental vehicles, repair and maintenance and transport equipment purchases

GDP GROSS DOMESTIC PRODUCT

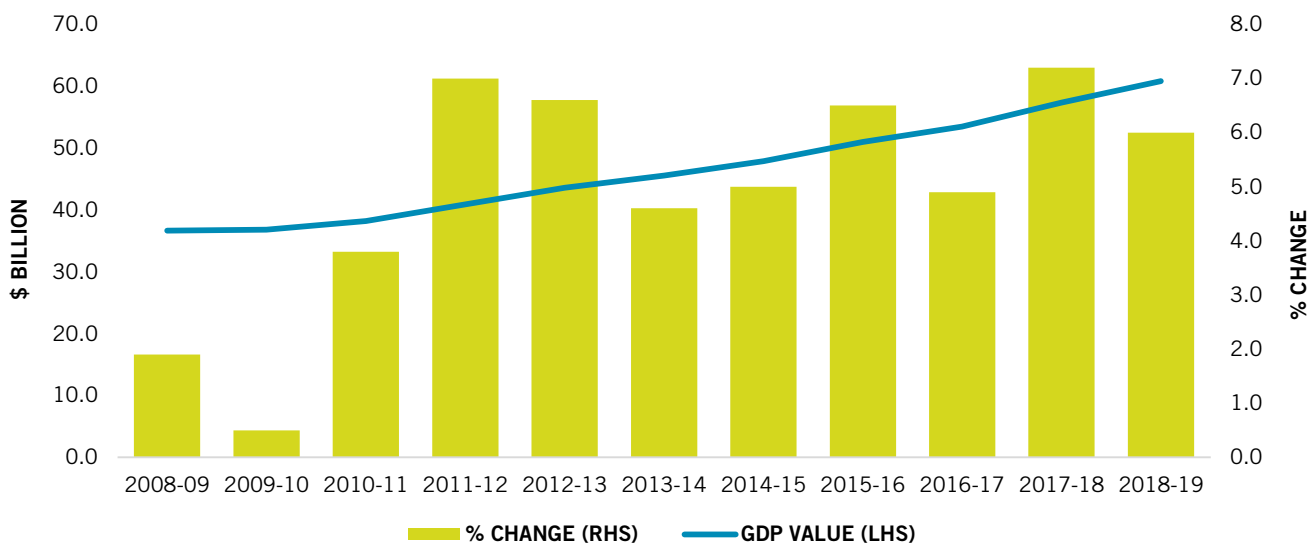
TOURISM GROWTH IS OUTPACING THE WIDER ECONOMY

In 2018–19, GDP from tourism was \$60.8 billion, an increase of 6.0% on 2017–18.

Tourism is continuing to increase its importance to Australia's economy, as evidenced by tourism GDP growth of 66% between 2008–09 and 2018–19, compared with 55% for the economy as a whole. This has seen tourism grow from a 2.9% share of national GDP to a 3.1% share.

- **Domestic tourism has driven growth** – In the last decade, more than two-thirds of the growth in tourism GDP came from domestic tourists. Domestic tourism now accounts for 71% of all tourism GDP.
- **Tourism is a resilient industry** – Tourism GDP continued to grow, albeit more slowly during the Global Financial Crisis in 2008–09.

FIGURE 2: DIRECT TOURISM GDP





EXPORTS

TOURISM IS AUSTRALIA'S FOURTH LARGEST EXPORT EARNER

Tourism is our largest service export, contributing \$39.1 billion to Australia's economy in 2018–19. This represents an 8.2% share of all goods and services exports – and places the industry fourth overall behind iron ore, coal and natural gas.

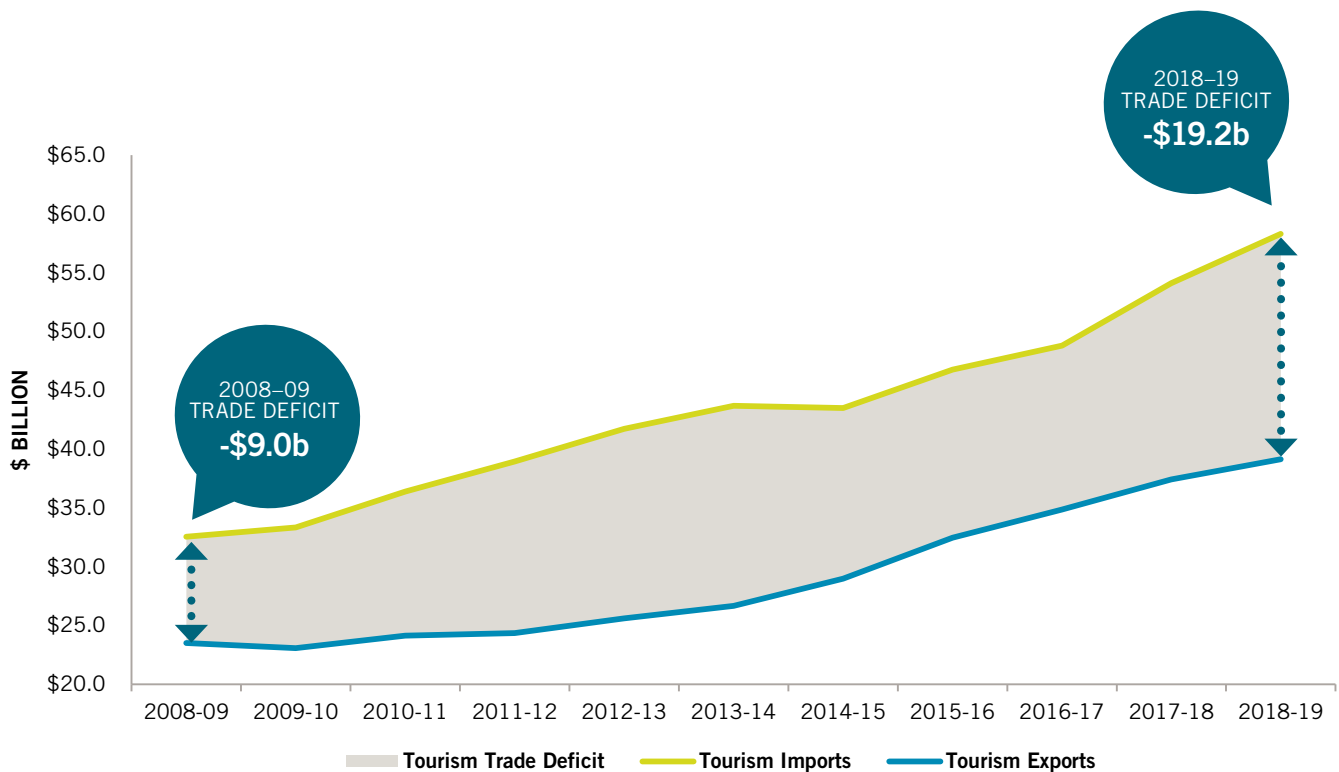
The export value of tourism comes from spending by international visitors on Australian goods and services. In contrast, spending by Australian residents travelling overseas are counted as imports. Over the last decade, the value of tourism imports has consistently exceeded the value of exports – this means more Australians are going overseas than foreign tourists coming to Australia; Australians travelling overseas also tend to spend more than visitors to Australia (see below).

Tourism imports exceed tourism exports

While tourism exports were at record highs in 2018–19, they were well below the \$58.3 billion of tourism imports from the spending of Australians travelling overseas. The high value of tourism imports was a result of:

- **a strong propensity to travel** – with almost one overseas trip per year for every two Australian residents, Australia has one of the highest rates of international travel in the world. In 2018–19, 11.2 million Australians travelled overseas compared with 9.3 million international visitors.
- **high average spend** – as a developed nation, Australians have more disposable income to spend while overseas, with those aged 15 and over spending an average of \$6,470 per overseas trip in 2018–19. In comparison, visitors to Australia spent just \$5,183.

FIGURE 3: TOURISM EXPORTS AND IMPORTS





EMPLOYMENT

ONE IN 19 AUSTRALIANS ARE EMPLOYED IN TOURISM

In 2018–19, tourism provided employment for 666,000 workers; 3.3% more than in 2017–18. This is equivalent to 5.2% of Australia's total workforce.

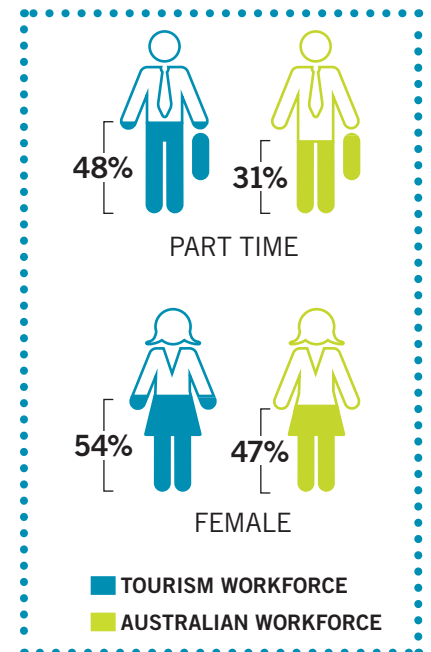
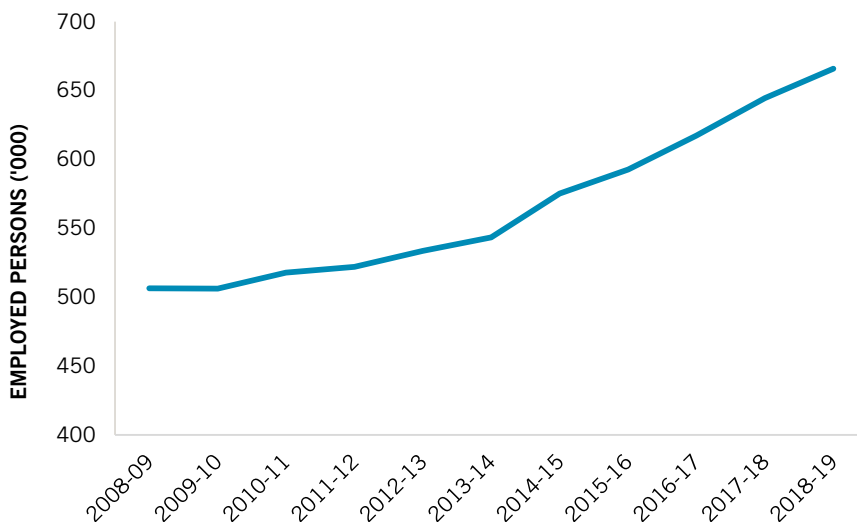
Tourism differs from other sectors of the economy as it:

- cuts across a wide range of industries, including Accommodation, Food Services, Transport, Retail Trade and Arts and Recreation
- is mostly female (54%), compared to the workforce as a whole (47%).

Tourism also has a high proportion of part-time workers (48%), compared with the national workforce (31%). Over the last ten years, the part-time tourism workforce has grown 41% compared with just 24% growth in full-time employment.

Improvements in productivity are also evident in Australia's tourism workforce. Over the last 10 years, the 66% growth in tourism GDP has been far higher than the 26% growth in tourism hours worked. Reasons for these improvements include increased use of automated booking and check-in services, more efficient payment platforms, and the take up of new technologies. The sharing economy has also had a major impact by increasing competition and choice in the accommodation, transport, and food delivery sectors.

FIGURE 4: DIRECT TOURISM EMPLOYMENT



Drivers of tourism growth

Over the last ten years Australia's tourism industry has experienced remarkable growth.

Using Gross Value Added (GVA) as a measure of economic activity, the industry has grown by 67% from \$33.5 billion in 2008–09 to \$55.9 billion in 2018–19:

- 35% of growth is due to an increase in the volume of activities – more day trips, more nights spent away and more international visitors.
- the remaining 32% is due to changing prices, i.e. tourism products becoming more expensive over the ten years.

The growth in GVA came from the following industries:

- 34% from Accommodation and Food Services
- 24% from Transport services
- 14.5% from Education and Training
- 9.9% from Travel and Tour Operator Services
- 9.5% from Retail Trade.

Changing visitor behaviours and varying rates of inflation also mean that the economic significance of different sectors has shifted over the past decade:

- Strong growth in edutourism from international markets has seen the share of GVA attributed to Education and Training rise from 7.3% in 2008–09 to 9.8% in 2018–19.
- Online shopping has given travellers the flexibility to make purchases before and after trips. This has contributed to its share of GVA declining from 12.2% to 10.5%.
- Greater competition has seen Accommodation and Food Services' share of GVA decline from 38% to 36%.
- Growth of rideshare services and high domestic fares has seen Transport Services' share grow from 16.2% in 2008–09 to 18.0%. The falling price of international airfares has little impact on this sector, as fares do not contribute to the TSA unless travellers arrived on an Australian airline.

FIGURE 5: TOURISM CONTRIBUTION BY INDUSTRY, 2008–09 TO 2018–19

