

Economic Contribution of Tourism to Victoria 2020-21

State Tourism Satellite
Account 2020-21

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Research Australia

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Economic contribution of tourism to Victoria 2020-21

Tourism in Victoria was estimated to be worth \$10.7 billion to the economy in GSP and generated employment of approximately 120,000 people in 2020-21. Substantial losses were noted in all key measures due to the devastating impacts of COVID-19 on the industry in this period. The fall in tourism demand has caused tourism's share of Victorian economic activity to drop to its lowest levels in over a decade (since records began).



\$10.7b
GSP

2.3% of the VIC economy
-2.8% pts from 2019-20

▼ -55.3%
from 2019-20
▼ -63.7%
from 2018-19



\$9.4b
GVA

2.1% of the VIC economy
-2.8% pts from 2019-20

▼ -56.6%
from 2019-20
▼ -64.6%
from 2018-19



120,000
JOBS

3.6% of VIC jobs
-3.3% pts from 2019-20

▼ -48.3%
from 2019-20
▼ -53.7%
from 2018-19

Summary Overview

- The tourism sector has suffered severe disruptions in the wake of COVID-19 which have negatively impacted every part of the industry. This 2020-21 edition of the STSA is the first to capture the full 12 month (financial year) impact of the crisis on the visitor economy.
- Tourism has been more negatively affected than other industries due to the loss in demand that was caused by preventative measures to slow the spread of COVID-19 including international/state border closures, local lockdowns, mobility restrictions and social distancing, as well as overall health and safety concerns which impeded consumer confidence in travel. The tourism sector has also been negatively impacted by workforce shortages.
- The significant deterioration in tourism demand in 2020-21, which followed a challenging period in 2019-20, is reflected in all key economic indicators which showed steep declines. As a result of lower demand, tourism's share of the Victorian economy in terms of its contribution to Gross State Product (GSP) and jobs in 2020-21 have fallen to the lowest levels on record (the period from 2006-07).
- In 2020-21 tourism was worth \$10.7 billion to the Victorian economy in GSP, suffering a loss of \$18.7 billion compared to the revised pre-COVID-19 estimates of 2018-19, down significantly by 63.7 per cent. This was larger than the severe rates of decline noted nationally (-47.3 per cent), as well as in New South Wales (-45.4 per cent) and Queensland (-40.3 per cent).
- The decline in tourism GSP was against the overall growth trend for GSP in the Victorian economy in the same period (+2.8 per cent), reflecting the severity of the impact of the crisis on the tourism sector relative to other industries in the state.
- The fall in tourism GSP has led to a decrease in tourism's overall contribution to Victorian GSP, with its share declining from 6.4 per cent in 2018-19 to 2.3 per cent in 2020-21 (down 4.1 percentage points).
- The pandemic has also led to dramatic declines in tourism employment in Victoria in 2020-21. Overall tourism employment numbers were less than half of the pre-COVID-19 level, down from 259,000 in 2018-19 to 120,000 in 2020-21 (or -53.7 per cent). Tourism jobs in Victoria fell at a rate well above other jurisdictions in Australia. Tourism jobs were down 32.8 per cent nationally and down 32.3 per cent in New South Wales, with a lower rate of decline noted in Queensland (-24.0 per cent). This reflects the severity of the crisis impact in Victoria relative to other jurisdictions due to extended periods of restrictions to curb the spread of COVID-19.
- The double-digit decline in tourism jobs was in contrast to overall employment growth in the Victorian economy in the same period, albeit marginal (+0.3 per cent). As such, tourism's contribution to overall employment in Victoria has fallen from 7.7 per cent in 2018-19 to 3.6 per cent in 2020-21 (down 4.1 percentage points).

Economic contribution of tourism to Victoria 2020-21

Gross State Product (GSP)

Tourism's contribution to Victoria's GSP fell to its lowest level in more than a decade, noting a loss of more than \$18.7 billion compared to 2018-19 (pre-pandemic).

- In 2020-21, tourism directly contributed \$5.4 billion to the Victorian economy. Direct tourism GSP was 56.6 per cent lower than in 2019-20, however was down 63.4 per cent from the revised pre-pandemic 2018-19 estimates.
- Tourism generated a 1.1 per cent direct share of GSP in the state (down 2.0 percentage points from 2018-19).
- Every conventional industry depends directly or indirectly upon spending by travellers, although the links may not immediately be apparent. The benefits of the tourism dollar are spread well beyond the hotel lobby, filtering through to the petrol pump, the corner store and even the local mechanic. This flow on is referred to as the indirect economic contribution of tourism.
- For every dollar spent directly on tourism in the Victorian economy, an additional 79 cents was spent indirectly elsewhere in the economy.
- Tourism indirectly contributed an additional \$5.3 billion in GSP to the Victorian economy in 2020-21, down 54.0 per cent from 2019-20 and down 64.0 per cent from the revised pre-pandemic 2018-19 estimate.
- In total, tourism in Victoria was worth \$10.7 billion in GSP, recording a decline of 55.3 per cent compared to the 2019-20 estimate. This represented a substantial decline of 63.7 per cent compared to 2018-19 or down \$18.7 billion. This is the lowest level of tourism GSP recorded in Victoria for over a decade (first estimated at \$14.7 billion in 2006-07).
- Due to the significant damage faced by the sector as a result of COVID-19, tourism's share of Victoria's GSP has declined overall from 6.4 per cent in 2018-19 to just 2.3 per cent in 2020-21.

Chart 1. Tourism's % contribution to Victorian GSP 2015-16 to 2020-21

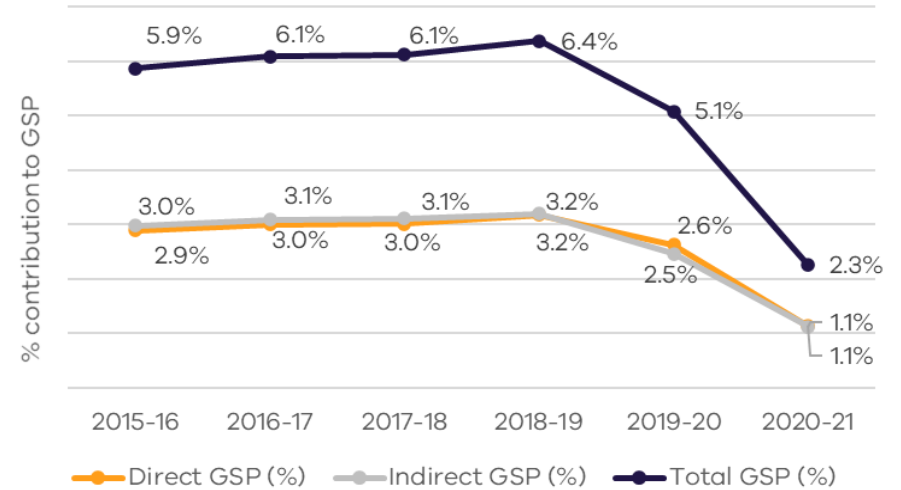
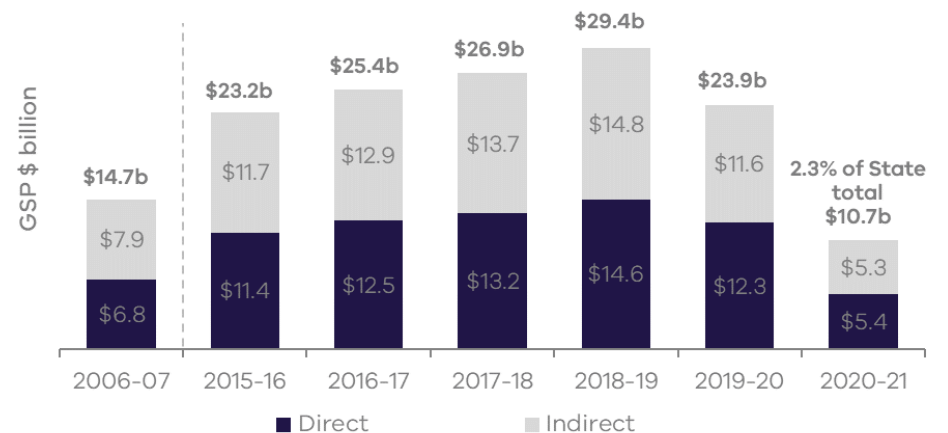


Chart 2. Tourism's contribution to Victoria GSP



Economic contribution of tourism to Victoria 2020-21

Gross Value Added (GVA)

Tourism's contribution to Victoria's GVA fell significantly, with the largest decline noted in the international component of direct GVA due to international border closures.

- The contribution of tourism to the Victorian economy is best measured by GVA and is also the best measure for comparisons to other industries. Tourism GVA measures the value of production exclusive of product taxes such as the GST.
- The Victorian tourism industry directly accounted for \$4.9 billion in 2020-21, noting a decline of 57.4 per cent from 2019-20 and down 63.8 per cent from the revised pre-pandemic 2018-19 estimate. This accounted for 1.1 per cent of total industry GVA in Victoria during 2020-21 (down 2.0 percentage points from 2018-19).
- As noted in chart 1, in 2020-21 total direct GVA in Victoria was largely made up of domestic travel due to international border closures at \$4.6 billion (95.5 per cent of direct GVA). This comprised of:
 - Intrastate overnight travel - \$2.7 billion (55.3 per cent)
 - Interstate overnight travel - \$0.9 billion (18.6 per cent)
 - Same day trips - \$1.1 billion (21.6 per cent).
- In comparison, international travel made up just 4.5 per cent of direct tourism GVA at \$0.2 billion due to the lack of international visitors in 2020-21.
- The largest loss in direct GVA in Victoria in 2020-21 compared to the pre-pandemic 2018-19 estimates was noted from the international component (down \$4.4 billion or -95.3 per cent), with a large decline also noted in the interstate overnight category (down \$2.2 billion or -71.0 per cent), followed by intrastate overnight (down \$1.2 billion or -30.7 per cent), with the domestic daytrip category also suffering a large decline down \$727 million (-40.9 per cent).
- Notably, pre-pandemic, Victoria had recorded the highest average annual growth of international direct GVA of all states and territories in Australia at 9.2 per cent for the period 2008-09 to 2018-19 (followed by New South Wales at 5.9 per cent per annum). Over this ten-year period (2008-09 to 2018-19), Victoria's dependence on international visitors increased by 8.0 percentage points to 34.7 per cent. As such, the closure of international borders has more adversely affected Victoria than some other jurisdictions which are less reliant on international visitors.
- Tourism indirectly contributed an additional \$4.5 billion to Victorian GVA. Therefore, tourism was worth \$9.4 billion to Victoria's economy in total GVA in 2020-21, noting a significant decline of 64.6 per cent from pre-pandemic 2018-19 estimates (or down 56.6 per cent from 2019-20).
- In comparison, GVA in the whole of the Victorian economy grew 3.7 per cent from 2018-19. As a result, tourism's total share of the Victorian economy has fallen from 6.2 per cent in 2018-19 to 2.1 per cent in 2020-21.

Chart 3. Composition of total direct GVA in Victoria 2020-21

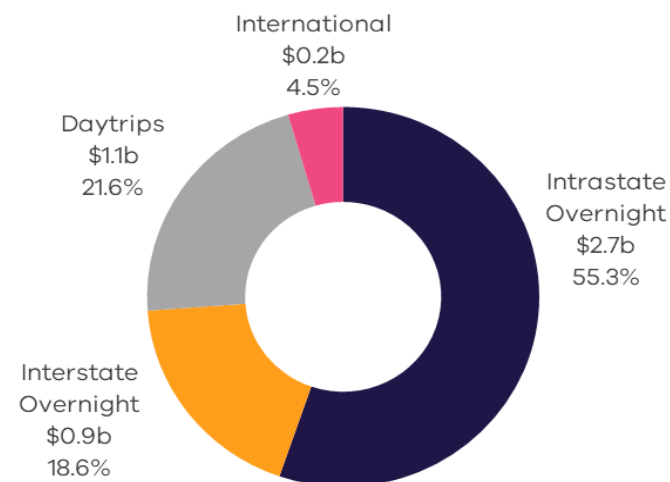
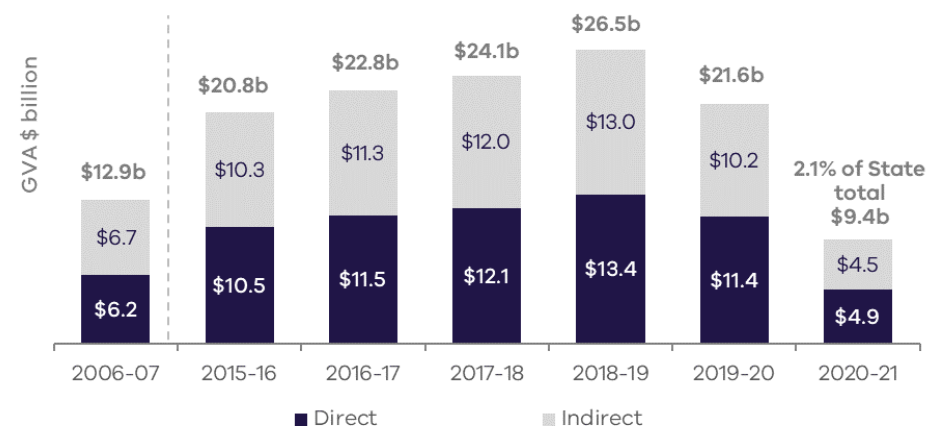


Chart 4. Tourism contribution to Victoria's Gross Value Added



Economic contribution of tourism to Victoria 2020-21

Employment

Direct tourism jobs in Victoria fell significantly from the education and training, accommodation and retail trade industries compared to pre-pandemic levels.

- In 2020-21, tourism directly generated approximately 109,800 jobs in Victoria, down 39.7 per cent from pre-pandemic 2018-19 estimates noting a loss of 72,200 jobs (or down 35.8 per cent from 2019-20). This comprised 3.3 per cent of total employment in the state (down 2.2 percentage points from 2018-19).
- Looking at the distribution of tourism jobs across Victorian industries, cafés, restaurants and takeaway food services (44.2 per cent) accounted for the largest share of direct tourism employment, followed by retail trade (14.9 per cent), accommodation (10.5 per cent) and clubs, pubs, taverns and bars (9.0 per cent).
- The largest rate of decline in direct tourism employment by industry compared to 2018-19 (pre-pandemic) was noted in the education and training sector (refer to chart 6), with an estimated loss of 99.8 per cent of tourism related jobs. This was followed by jobs in accommodation (-51.3 per cent) and retail trade (-43.6 per cent). Cafes, restaurants and takeaway food services had the lowest rate of decline compared to the pre-pandemic period (-6.3 per cent).
- Tourism generally has a higher proportion of part-time workers than is noted in the economy overall. This is due to the seasonal nature of the industry, the types of roles on offer and the higher participation rate of females in the sector.
- The distribution of full-time vs part-time direct tourism jobs by industry is noted in table 4 (page 13 of this report). Most part-time workers were noted in cafés, restaurants and takeaway food services (49.2 per cent), followed by retail trade (16.6 per cent) and accommodation (13.1 per cent) industries.
- Notably, there is a far higher rate of full-time workers in casinos and other gambling services, as well as in all transport related sectors compared to other industries.

Chart 5. Composition of direct tourism employment by industry

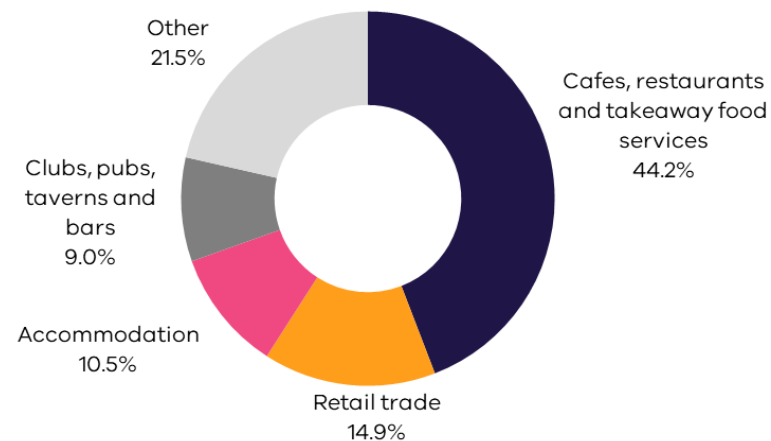
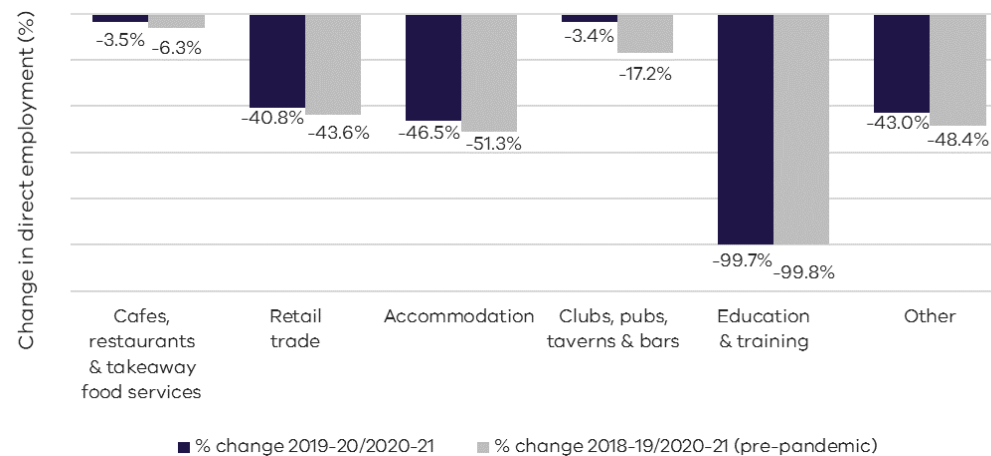


Chart 6. Change in direct employment by industry 2019-20/2020-21 and 2018-19/2020-21 (pre-pandemic)



Economic contribution of tourism to Victoria 2020-21

Employment

Tourism jobs in Victoria more than halved compared to pre-pandemic levels. As a result, tourism's share of jobs in the economy fell to its lowest level on record.

- As noted in chart 7 below, direct tourism employment in Victoria was evenly split between full-time employment (50 per cent) and part-time employment (50 per cent) in 2020-21.
- The indirect component of tourism jobs in Victoria suffered a more severe rate of decline than the direct component, down 86.7 per cent to 10,200 jobs in 2020-21. The indirect share of tourism jobs in Victoria declined from 2.3 per cent in 2018-19 to just 0.3 per cent in 2020-21.
- In total, tourism generated 120,000 jobs in 2020-21, representing a decline of 53.7 per cent compared to the revised 2018-19 estimates (or down 139,000 jobs). This represented a year-on-year decline of 48.3 per cent.
- As a result, tourism's share of overall employment in Victoria has fallen from 7.7 per cent in 2018-19 to 3.6 per cent in 2020-21 (down 4.1 percentage points). Conversely, employment in the Victorian economy overall grew modestly in the same period (+0.3 per cent).

Chart 7. Full-time vs part-time direct tourism workers in Victoria

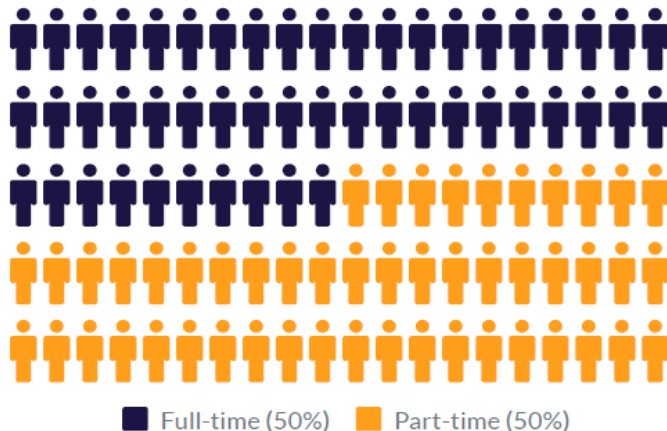


Chart 8. Tourism's % contribution to jobs in Victoria

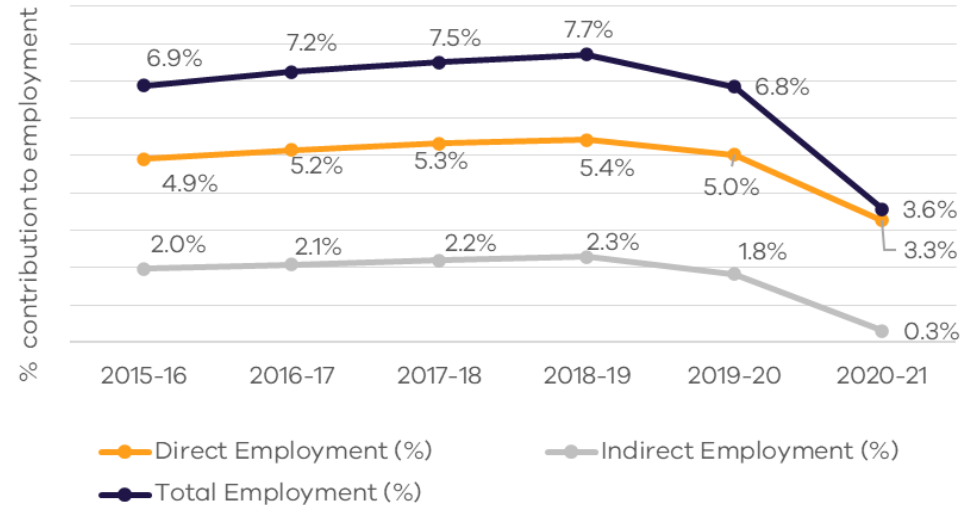
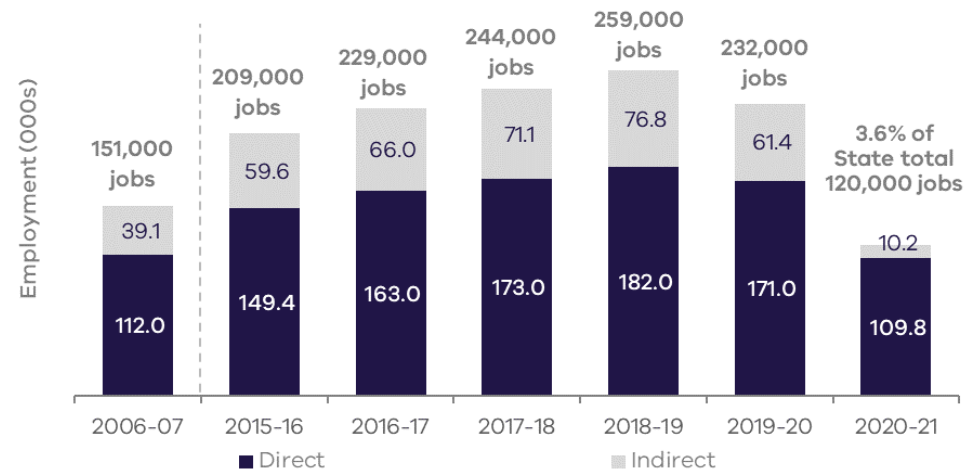


Chart 9. Tourism's contribution to Victoria's employment



Economic contribution of tourism to Victoria 2020-21

Industry Comparison

- Tourism's share of direct GVA for the state (1.1 per cent) was higher when compared to mining (0.8 per cent) in 2020-21 but was well below most other industries such as financial and insurance services (10.1 per cent), health care and social assistance (8.8 per cent), professional, scientific and technical services (8.8 per cent) and construction (8.3 per cent).
- Tourism's share of direct GVA noted the largest decline of all key industries compared to pre-pandemic, down 2.0 percentage points from 2018-19 to 1.1 per cent in 2020-21 (refer to chart 10).
- Tourism's share of direct employment for the state (3.3 per cent), declined by 2.2 percentage points compared to the pre-pandemic 2018-19 estimates. Direct tourism jobs made a higher contribution to employment than agriculture, forestry and fishing (2.4 per cent) and mining (0.2 per cent) in 2020-21.
- The largest growth in share of employment in 2020-21 was noted in the health care and social assistance sector (+1.0 per cent), reflecting the increased demands on this sector due to the pandemic (refer chart 11).

Tourism Consumption

- In 2020-21 total tourism consumption in Victoria fell substantially by 62.0 per cent compared to 2018-19 from \$36.2 billion to \$13.8 billion, in line with the downturn in tourism demand due to COVID-19. This was larger than the rate of decline in consumption nationally (down 45.3 per cent), as well as in New South Wales (-43.5 per cent to \$26.4 billion) and Queensland (-38.4 per cent to \$21.4 billion), reflecting the more severe impacts of the pandemic on Victoria due to its extended periods of lockdown. The least impacted jurisdictions were South Australia and Tasmania, down 29.4 per cent and 35.8 per cent respectively.
- Approximately three-quarters (73.8 per cent) of Australia's total tourism consumption was concentrated in New South Wales, Victoria and Queensland in 2020-21.
- The decline in consumption in Victoria was driven by the lack of international travel due to border closures, with the category comprising only 2.6 per cent of consumption in 2020-21 compared to 29.9 per cent in 2018-19. In 2020-21 tourism consumption in Victoria was concentrated in the intrastate (51.7 per cent) and daytrip (28.7 per cent) segments.

Chart 10. % Contribution to GVA in Victoria by industry

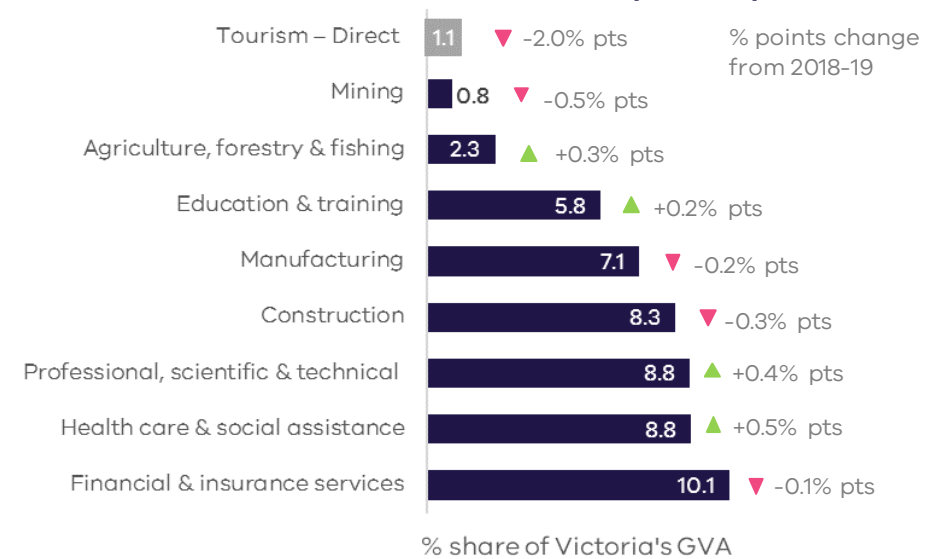
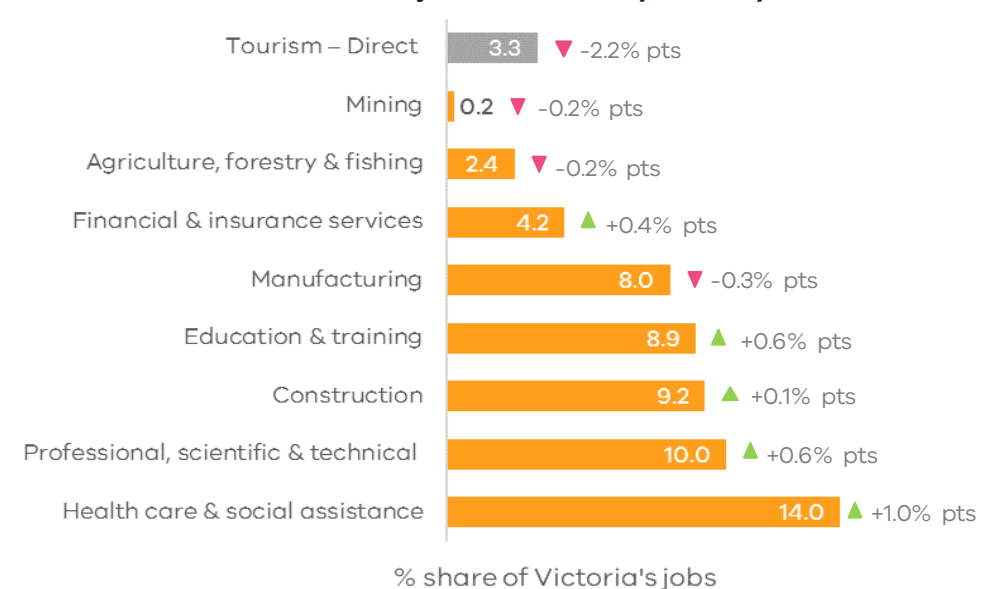


Chart 11. % Contribution to jobs in Victoria by industry



Economic contribution of tourism to Victoria 2020-21

State / Territory Comparisons

Victoria's tourism sector suffered the largest declines in GSP and jobs compared to other jurisdictions, reflecting the more severe impacts of COVID-19 on the state due to extended periods of restrictions.

- Total tourism GDP (direct and indirect) in Australia fell by 47.3 per cent to \$65.5 billion in 2020-21, suffering a loss of \$58.7 billion compared to the pre-pandemic 2018-19 estimates.
- The jurisdictions that contributed the most to tourism GDP in Australia in 2020-21 were New South Wales at \$20.8 billion and Queensland at \$16.8 billion, followed by Victoria at \$10.7 billion.
- Victoria suffered the largest net loss in total tourism GSP in 2020-21 compared to 2018-19 (down \$18.7 billion or -63.7 per cent), with New South Wales down \$17.3 billion (-45.4 per cent) and Queensland down \$11.3 billion (-40.3 per cent).
- High rates of decline were also recorded in ACT (-51.2 per cent or down \$1.3 billion), Northern Territory (-46.8 per cent or down \$1.2 billion) and Western Australia (-41.0 per cent or -\$5.0 billion) compared to 2018-19 due to extended border closures. However, these jurisdictions had lower volume losses of GSP than Victorian due to the smaller size of their tourism industries.
- Nationally, tourism's total contribution (direct and indirect) to employment was 681,600 jobs, suffering a loss of 333,400 jobs compared to pre-pandemic 2018-19 estimates (or -32.8 per cent).
- The jurisdictions that contributed the most to total national tourism employment in 2020-21 were New South Wales at 197,000, Queensland at 174,000 and Victoria at 120,000.
- Total tourism employment declined at the largest rate in Victoria in 2020-21 compared 2018-19 (down 139,000 jobs or -53.7 per cent), noting a larger loss than New South Wales (down 94,000 jobs or -32.3 per cent) and Queensland (down 55,000 jobs or -24.0 per cent).
- South Australia noted the lowest rate of decline in tourism employment compared to the pre-pandemic 2018-19 estimates (-9.3 per cent or down 5,800 jobs).

Chart 12. State comparison of tourism's contribution to GSP 2020-21

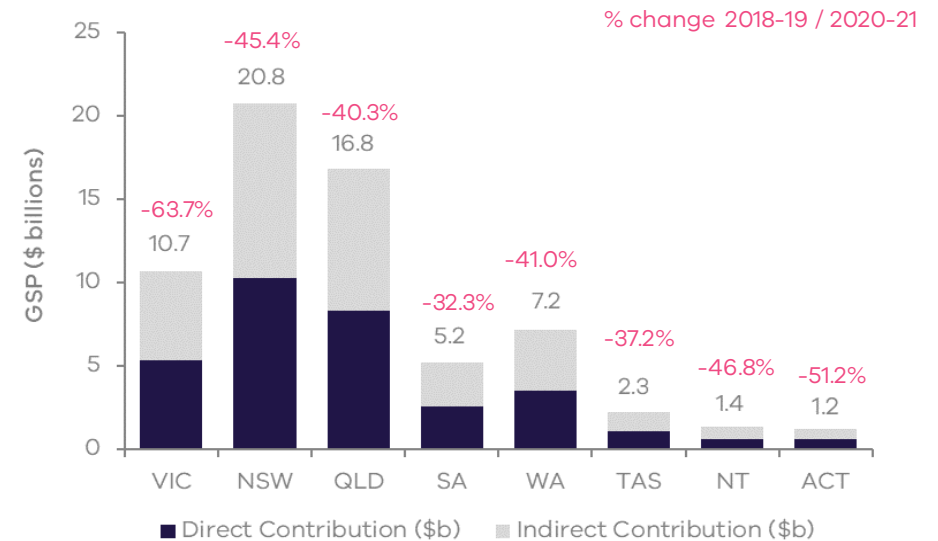
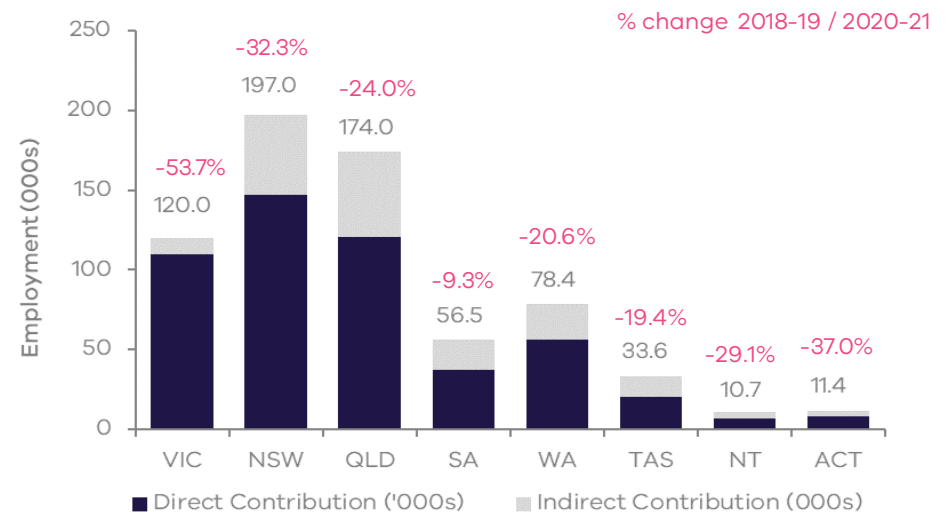


Chart 13. State comparison of tourism's contribution to jobs 2020-21



Economic contribution of tourism to Victoria 2020-21

State / Territory Comparisons

The contribution of tourism GSP and jobs in Victoria to the overall economy fell considerably compared to pre-pandemic levels. Notably, tourism jobs in Victoria comprised the lowest level of overall jobs in the economy relative to other jurisdictions in Australia in 2020-21.

Gross State Product (GSP)

- Chart 13 shows that tourism in Tasmania made the greatest contribution to its state's GSP at 6.5 per cent in 2020-21, reflecting its high reliance on the sector. This was followed by the Northern Territory (5.5 per cent), Queensland (4.6 per cent) and South Australia (4.4 per cent), with New South Wales at 3.2 per cent.
- Victoria's tourism industry contributed 2.3 per cent to the state's economy in GSP, which represents a decline of 4.1 percentage points compared to revised pre-pandemic 2018-19 estimates.
- Tourism's share of GSP in Victoria was below the national average (3.2 per cent). Western Australia's tourism industry made the lowest contribution to GSP in 2020-21 at 2.0 per cent.

Employment

- Tasmania's high reliance on the tourism industry is also reflected in employment estimates, with the industry contributing 13.0 per cent to overall employment in the state in 2020-21.
- The Northern Territory's tourism industry also comprised a high proportion of overall employment (8.2 per cent), followed by Queensland (6.7 per cent) and South Australia (6.6 per cent).
- Victoria's tourism industry made the lowest contribution to overall jobs in its economy of all jurisdictions in 2020-21 at 3.6 per cent. This was below the national average rate (5.3 per cent) and represented a decline of 4.1 percentage points compared to 2018-19 (pre-pandemic).

Chart 13. Contribution of total GSP to each state & the national economy



Chart 14. Contribution of total jobs to each state & the national economy



Economic contribution of tourism to Victoria 2020-21

Table 1: Tourism's contribution in Victoria to GVA, GSP and Employment 2015-16 to 2020-21

Tourism Economic Contribution	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	AAG (2016-21) (% p.a.)	YOY change (2020-21) (%)	2 year change (2019-21) (%)
Gross Value Added (GVA)									
Direct GVA (\$m)	10,496	11,505	12,144	13,421	11,385	4,854	-14.3% p.a.	-57.4%	-63.8%
Indirect GVA (\$m)	10,288	11,295	11,993	13,031	10,183	4,508	-15.2% p.a.	-55.7%	-65.4%
Total GVA (\$m)	20,784	22,800	24,137	26,453	21,567	9,362	-14.7% p.a.	-56.6%	-64.6%
Direct GVA (%)	2.9%	3.0%	3.0%	3.1%	2.6%	1.1%	-1.8%pt	-1.5%pt	-2.0%pt
Indirect GVA (%)	2.8%	2.9%	3.0%	3.1%	2.3%	1.0%	-1.8%pt	-1.3%pt	-2.0%pt
Total GVA (%)	5.7%	5.9%	5.9%	6.2%	4.9%	2.1%	-3.6%pt	-2.8%pt	-4.1%pt
Gross State Product (GSP)									
Direct GSP (\$m)	11,415	12,534	13,243	14,627	12,329	5,352	-14.1% p.a.	-56.6%	-63.4%
Indirect GSP (\$m)	11,747	12,868	13,706	14,772	11,552	5,318	-14.7% p.a.	-54.0%	-64.0%
Total GSP (\$m)	23,162	25,402	26,949	29,400	23,880	10,670	-14.4% p.a.	-55.3%	-63.7%
Direct GSP (%)	2.9%	3.0%	3.0%	3.2%	2.6%	1.1%	-1.8%pt	-1.5%pt	-2.0%pt
Indirect GSP (%)	3.0%	3.1%	3.1%	3.2%	2.5%	1.1%	-1.9%pt	-1.3%pt	-2.1%pt
Total GSP (%)	5.9%	6.1%	6.1%	6.4%	5.1%	2.3%	-3.6%pt	-2.8%pt	-4.1%pt
Persons Employed									
Direct Employment (000s)	149.4	163.0	173.0	182.0	171.0	109.8	-6.0% p.a.	-35.8%	-39.7%
Indirect Employment (000s)	59.6	66.0	71.1	76.8	61.4	10.2	-29.7% p.a.	-83.3%	-86.7%
Total Employment (000s)	209.0	229.0	244.0	259.0	232.0	120.0	-10.5% p.a.	-48.3%	-53.7%
Direct Employment (%)	4.9%	5.2%	5.3%	5.4%	5.0%	3.3%	-1.7%pt	-1.8%pt	-2.2%pt
Indirect Employment (%)	2.0%	2.1%	2.2%	2.3%	1.8%	0.3%	-1.7%pt	-1.5%pt	-2.0%pt
Total Employment (%)	6.9%	7.2%	7.5%	7.7%	6.8%	3.6%	-3.3%pt	-3.3%pt	-4.1%pt

Note: Figures may not add up due to rounding. Please do not compare with previously published estimates due to revisions to input data.

Source: State Tourism Satellite Accounts 2020-21, produced by Tourism Research Australia, May 2022.

Research report produced by the Tourism, Events, Strategy and Reform Research Unit, May 2022.

Economic contribution of tourism to Victoria 2020-21

Table 2: State summary of tourism's contribution to GSP, GVA and employment

2020-21	Gross State Product			Gross Value Added			Employment		
	Total (\$m)	% change 2019-20 to 2020-21	% change 2018-19 to 2020-21	Total (\$m)	% change 2019-20 to 2020-21	% change 2018-19 to 2020-21	Total ('000)	% change 2019-20 to 2020-21	% change 2018-19 to 2020-21
Australia	65,482	-35.3%	-47.3%	57,126	-36.7%	-48.2%	681.6	-25.0%	-32.8%
Victoria	10,670	-55.3%	-63.7%	9,362	-56.6%	-64.6%	120.0	-48.3%	-53.7%
New South Wales	20,764	-32.2%	-45.4%	18,102	-33.6%	-46.4%	197.0	-22.7%	-32.3%
Queensland	16,814	-26.4%	-40.3%	14,719	-28.0%	-41.4%	174.0	-15.1%	-24.0%
South Australia	5,231	-19.8%	-32.3%	4,448	-19.5%	-31.5%	56.5	-4.2%	-9.3%
Western Australia	7,154	-32.5%	-41.0%	6,275	-34.1%	-42.2%	78.4	-16.8%	-20.6%
Tasmania	2,251	-23.9%	-37.2%	1,992	-25.4%	-38.0%	33.6	-7.7%	-19.4%
Northern Territory	1,374	-26.9%	-46.8%	1,169	-25.7%	-45.8%	10.7	-13.0%	-29.1%
ACT	1,226	-33.6%	-51.2%	1,058	-35.1%	-52.4%	11.4	-21.4%	-37.0%

Table 3: Industry share of direct GVA and employment

Share of State Total by Industry	GVA (%)					Employment (%)				
	2018-19	2019-20	2020-21	% change 2019-20 to 2020-21	% change 2018-19 to 2020-21	2018-19	2019-20	2020-21	% change 2019-20 to 2020-21	% change 2018-19 to 2020-21
Financial and insurance services	10.2	10.1	10.1	0.1% pts	-0.1% pts	3.8	4.0	4.2	0.2% pts	0.4% pts
Health care & social assistance	8.3	8.5	8.8	0.4% pts	0.5% pts	13.0	13.7	14.0	0.3% pts	1.0% pts
Professional, scientific and technical services	8.4	8.7	8.8	0.1% pts	0.4% pts	9.3	9.7	10.0	0.3% pts	0.6% pts
Construction	8.6	8.5	8.3	-0.2% pts	-0.3% pts	9.1	9.3	9.2	-0.1% pts	0.1% pts
Manufacturing	7.3	7.2	7.1	-0.1% pts	-0.2% pts	8.3	8.6	8.0	-0.6% pts	-0.3% pts
Education & training	5.6	5.7	5.8	0.1% pts	0.2% pts	8.3	8.7	8.9	0.2% pts	0.6% pts
Agriculture, forestry and fishing	2.0	2.0	2.3	0.3% pts	0.3% pts	2.6	2.5	2.4	-0.1% pts	-0.2% pts
Mining	1.4	1.2	0.8	-0.4% pts	-0.5% pts	0.5	0.3	0.2	0.0% pts	-0.2% pts
Tourism – Direct	3.1	2.6	1.1	-1.5% pts	-2.0% pts	5.4	5.0	3.3	-1.8% pts	-2.2% pts
Tourism – Total (direct & indirect)	6.2	4.9	2.1	-2.8% pts	-4.1% pts	7.7	6.8	3.6	-3.3% pts	-4.1% pts

Note: Figures may not add up due to rounding. Please do not compare with previously published estimates due to revisions to input data.

Source: State Tourism Satellite Accounts 2020-21, produced by Tourism Research Australia, May 2022.

Research report produced by the Tourism, Events, Strategy and Reform Research Unit, May 2022.

Table 4: Direct tourism employment - full-time vs part-time jobs by industry

Industry	Full-Time ('000)	Part-Time ('000)	Total* ('000)	Share Full-time (%)	Share Part-time (%)
Cafes, restaurants and takeaway food services	15.9	27.2	48.5	29.2%	49.2%
Retail trade	10.1	9.2	16.4	18.5%	16.6%
Accommodation	6.3	7.3	11.5	11.5%	13.1%
Clubs, pubs, taverns and bars	4.6	4.1	9.8	8.5%	7.4%
Road transport and transport equipment rental	3.7	0.8	5.9	6.8%	1.5%
Travel agency and tour operator services	3.0	1.9	4.2	5.6%	3.4%
Air, water and other transport	4.0	0.7	3.7	7.2%	1.3%
Other sports and recreation services	2.0	2.3	3.7	3.7%	4.2%
Cultural services	1.7	0.8	2.3	3.1%	1.4%
Rail transport	0.3	0.1	0.5	0.6%	0.1%
Casinos and other gambling services	0.4	0.1	0.3	0.7%	0.1%
Education and training	0.0	0.0	0.1	0.1%	0.0%
All other industries	2.5	0.9	3.0	4.6%	1.7%
Direct tourism employment	54.5	55.2	109.8	100.0%	100.0%

*Note full-time and part-time tourism jobs within industries do not equate to the total due to the calculation method.

Note: Figures may not add up due to rounding. Please do not compare with previously published estimates due to revisions to input data.
Source: State Tourism Satellite Accounts 2020-21, produced by Tourism Research Australia, May 2022.
Research report produced by the Tourism, Events, Strategy and Reform Research Unit, May 2022.

Economic contribution of tourism to Victoria 2020-21

Background

Travellers participate in many different activities during their trip, from shopping, eating out and visiting attractions to using transport and staying in accommodation. As a result, the impacts of tourism occur across many industries and can't be measured in the same way as other parts of the economy.

As such, the Australian Bureau of Statistics' (ABS) produce Tourism Satellite Accounts (TSA). The TSA, part of the Australian National Accounts, estimate the impact of tourism on the Australian economy. They use an internationally accepted methodology developed by the Organisation for Economic Cooperation and Development (OECD) and the World Tourism Organization (UNWTO).

The Tourism Satellite Account (TSA) includes measures of the economic contribution of tourism to Gross Value Added (GVA), Gross Domestic Product (GDP)/Gross State Product (GSP) and employment. It also provides information about tourism consumption, output, taxation, and the composition of the tourism industry and its interaction with other industries.

As an economic modelling exercise, the TSA estimates generated are subject to the quality of data inputs and underlying assumptions.

The 2020-21 State TSA report follows the release of the National Tourism Satellite Account for 2020-21 by the Australian Bureau of Statistics (ABS) and includes back-cast data to 2006-07.

Changes to this Issue

Revisions to the Australian Bureau of Statistics' (ABS) national accounts data have affected the 2020-21 State TSA. These estimates are revised annually by the ABS to reflect changes in the economy. This is in line with international best practice. The ABS has updated input-output relationships based on the latest available supply-use tables which in this case refers to year 2018-19. As such, in this edition of the State TSA, the input-output tables (I-O tables) used in generating indirect contribution of tourism resulting from output and employment multipliers have also been revised using 2018-19 I-O tables. **This has resulted in a revision of results for the whole time-series, meaning data from previous editions is not directly comparable to this version of the STSA.**

Regional expenditure data revisions also have affected the STSA. These data are sourced from the International Visitor Survey (IVS) and National Visitor Survey (NVS), year ending June 2021.

As such, the State TSA estimates in this publication are not comparable to the previously published State TSA estimates. The most recent results should only be compared to the revised time series to ensure like-for-like comparisons.

Definitions and Notes

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, as a tourist (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 range industries including accommodation, cafes, restaurants, retail trade and transport.

A tourist or visitor is defined as any person travelling for business, leisure or other reason for less than 12 months duration, but not people travelling as part of a permanent migration or regular commuting. In Australia, using ABS and Tourism Research Australia definitions, a domestic visitor is a person travelling at least 40 km each way overnight or at least 25 km each way on a day trip.

Tourism consumption represents the demand side of tourism. It is the total value of goods and services consumed by domestic, inbound and outbound visitors. It consists of tourism expenditure plus imputed consumption on tourism related products. It is measured as the price the visitor pays including all taxes, subsidies and sales margins (i.e., purchasers' prices).

Economic contribution of tourism to Victoria 2020-21

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. GVA is often considered the most accurate way of measuring the contribution of an industry to the economy and is best used when comparing the direct contribution of the tourism industry against conventional industries (such as mining or manufacturing) or across countries and regions. Direct and indirect flow-on GVA are measured separately. Combined they provide an estimate of total tourism GVA.

Tourism gross state product (GSP): The equivalent of Gross Domestic Product (GDP) at a State level. GSP refers to tourism GVA plus net taxes on products that are attributable to the tourism industry. Generally, GSP has a higher value than tourism GVA. Direct and indirect flow-on GSP are measured separately. Combined they provide an estimate of total tourism GSP.

State TSA goes beyond the scope of the national TSA by providing both the direct and indirect impacts of tourism and are measured separately using the TSA framework and Input Output (IO) modelling techniques respectively. Combined they provide an estimate of total tourism GSP.

The direct contribution of tourism measures the contribution of direct transactions between a visitor and producer of a good or service that involves a direct physical or economic relationship. Put simply, this would include the direct impact of a visitor staying at hotel or participating in a tour. Direct economic impacts are measured according to the TSA framework.

The indirect contribution of tourism captures the flow-on or 'second round' impacts created by the tourism industry. These result from the need for inputs to be supplied to the industries that directly provide goods and services to visitors. For example, this might include the fresh produce supplied to a hotel to deliver meals to guests. The inclusion of indirect contributions is not valid when comparing tourism against other industries (as it 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.

Employed person: Is a person aged 15 years and over who worked for one hour or more per week 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.

Quality of Estimates: It is important to note that the estimates of economic contribution are derived from estimates and assumptions of complex interactions amongst all components of the economy which change over time. While as much care as possible has been taken to ensure the quality of the estimates in the satellite accounts, users should exercise some caution in the use and interpretation of the results. In order to produce estimates at a finer level of detail than is normally provided in the national accounts, some of the data used to produce the satellite accounts have been extended to the limits of their design capabilities. Assumptions underlying the estimates also have an effect on the estimates' quality.

More Information

For more detail on the methodology and results please refer to the full report: State Tourism Satellite Accounts 2020-21:

<https://www.tra.gov.au/Economic-analysis/economic-value>

For more detail on the National Tourism Satellite Accounts 2020-21, refer to:

<https://www.abs.gov.au/ausstats/abs@nsf/mf/5249.0>

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1 Spring Street Melbourne Victoria 3000

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