

Regional Tourism Satellite Account

Adelaide Hills 2013-14

In 2013-14, the tourism industry contributed an estimated \$260 million to the Adelaide Hills regional economy (12.4% of gross regional product) and directly employed approximately 1,100 people (5.5% of regional employment).

Tourism Satellite Accounts (TSA) evaluates the tourism industry activity and performance within a national accounting framework. The regional TSA measures both the direct and indirect impacts of tourism on the economy and includes metrics such as Gross Value Added (GVA), Gross Regional Product (GRP) and employment. It also provides information about tourism consumption, output, taxation and the composition of the tourism industry and its interaction with other industries.

This Adelaide Hills regional profile ranks the economic contribution of tourism to the region both in absolute level terms and as a contribution to the regional economy. These measures are directly comparable to State, National, and indeed, international Tourism Satellite Accounts.

Key aggregates

In 2013-14, the tourism activity in Adelaide Hills generated:

Tourism output

- \$97 million and \$423 million in direct and indirect tourism output, and \$520 million in total tourism output.

Gross Value Added (GVA)

- \$49 million and \$178 million in direct and indirect tourism GVA, and \$227 million in total tourism GVA.

Gross Regional Product (GRP)

- \$53 million and \$207 million in direct and indirect tourism GRP and \$260 million in total tourism GRP; and

Employment

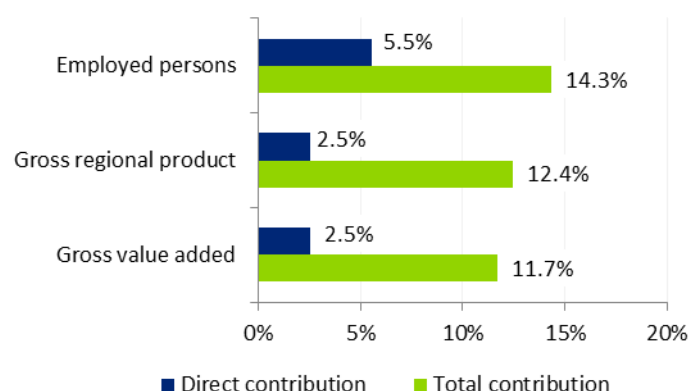
- 1,100 jobs for people employed directly by the tourism industry, 1,700 indirect jobs and a total employment impact of 2,800 people.

Economic importance of tourism in the region

The ratio of Adelaide Hills' direct tourism contribution to the total regional economy aggregates provides a point of reference snapshot for the importance of tourism to the region. In 2013-14, it is estimated that tourism directly represented 2.5% of the total Adelaide Hills economy (in GRP terms), compared to 3.3% for regional South Australia.

Adelaide Hills is relatively less reliant on the tourism industry than regional South Australia; rather its dependence lies in the region's role as a supply region for indirect inputs to tourism activity elsewhere in the State. In level terms, the total value of tourism in Adelaide Hills is 1.8% of the state-wide contribution of tourism.

Chart 1.1: Tourism's contribution to the regional economy, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

Table 1.1 Key tourism aggregates (\$ million)

Visitor segment	Consumption	Output	GVA	GRP	Employed ('000)
Day-trippers	77	29	15	14	
Domestic overnight	68	52	25	27	
International	16	16	9	12	
Direct	161	97	49	53	1.1
Indirect		423	178	207	1.7
Total impact		520	227	260	2.8
Total economy			1,945	2,087	19.7

Research factsheet - Value of tourism to Adelaide Hills

Tourism related industry profile

At the industry level, the tourism products that contributed the most to tourism consumption in Adelaide Hills in 2013-14 were: (1) \$26m on fuel; (2) \$25m on takeaway and restaurant meals; and (3) \$25m on shopping.

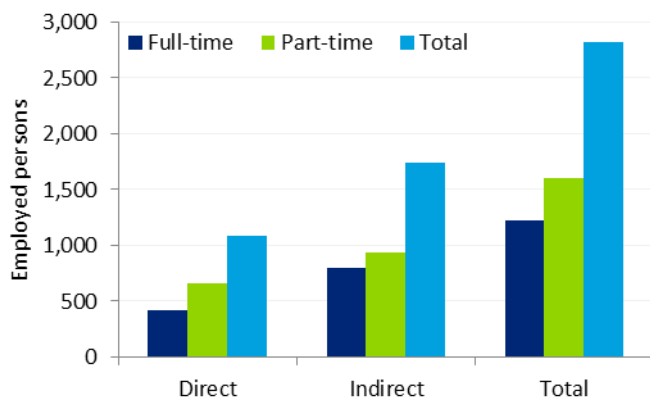
In terms of overall economic contribution, the tourism industries that generated the highest economic benefit to Adelaide Hills in 2013-14 were:

- retail trade with \$13 million in direct GVA and \$13 million in direct GRP;
- cafes restaurants and takeaway food services with \$11 million in direct GVA and \$12 million in direct GRP; and
- clubs, pubs, taverns and bars with \$6 million in direct GVA and \$7 million in direct GRP.

Tourism employment

The TSAs define tourism employment as the number of tourism employed persons. . In 2013-14 there were 1,090 persons (made up of 420 full-time and 660 part-time) directly employed in tourism in Adelaide Hills.

Chart 1.2: Contribution of tourism to employment, 2013-14

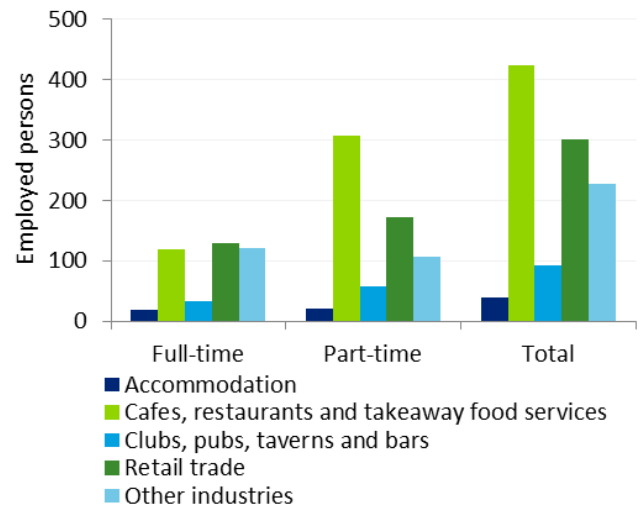


Source: Deloitte Access Economics' Regional TSA model.

The tourism related industries that contributed most to regional tourism employment in Adelaide Hills in 2013-14 were:

- cafes, restaurants and takeaway food services (120 full time and 310 part time employed persons);
- retail trade (130 full time and 170 part time employed persons); and
- clubs, pubs, taverns and bars (30 full time and 60 part time employed persons).

Chart 1.3: Direct tourism employed persons, 2013-14



Source: Deloitte Access Economics' Regional TSA model.

Regional tourism profile

In 2013-14, visitors to Adelaide Hills contributed a total of \$161 million in tourism consumption to the Adelaide Hills economy. The majority of visitor consumption in the region was contributed by day trip visitors (\$77 million). In relative terms, domestic overnight visitors to Adelaide Hills spend the most per night (\$156) on average.

Table 1.2: Tourism activity summary

Visitor segment	Nights ('000)	Nights (%)	Consumption (\$ million)	Consumption (%)	\$ per night
Day-trippers	866	61	77	48	89
Domestic overnight	434	30	68	42	156
International	124	9	16	10	127

Source: Tourism Research Australia Visitor Surveys and Deloitte Access Economics' Regional TSA model.

Research factsheet - *Value of tourism to Adelaide Hills*

Methodology

Tourism and Events South Australia has worked with Deloitte Access Economics to produce consistent and comparable regional Tourism Satellite Account (TSA) estimates of the value of tourism to South Australia's regions.

Tourism Satellite Accounts are used to estimate the contribution of tourism to a region by combining the contributions of the various goods and services that make up the industry. The regional, state and national estimates are based on an internationally recognised and standardised framework (although regional TSA methodology has been extended to determine the indirect impact of cross region trade flows).

There are a number of steps required to calculate the tourism industry's contribution to Adelaide Hills's economy. To start, a regional tourism consumption bundle is derived from TRA visitor survey data and adjusted to remove any price effects that are not directly attributed to the seller of the good or service (e.g. taxes, transport margins, pre-manufactured inputs etc.). The direct and indirect contributions of tourism are estimated by using regional input-output multiplier tables, derived from ABS data.

For consistency and assurance, the regional results are calibrated against the reported 2013-14 state TSA data.

Tourism Standard Reporting

For consistency in reporting, when referring to the overall size or contribution of the tourism industry in a region, the appropriate measure is GRP. GVA should be used when comparing the tourism industry against another industry within the same region.

Glossary

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.

Indirect contribution of tourism: The subsequent flow-on effects created by the requirement for inputs from those industries supplying goods and services to visitors. For example, in the case of the hotel industry this might include the fresh produce supplied to a hotel and the electricity used.

Input-output table: An input-output table is a means of presenting a detailed analysis of the process of production and the associated use of goods and services and income generated. National input-output tables are produced annually by the Australian Bureau of Statistics.

Tourism gross regional product: Tourism GRP is tourism GVA plus net taxes on products that are attributable to the tourism industry. As such direct tourism GRP will generally have a higher value than direct tourism GVA. Direct tourism GRP is a satellite account construct to enable a direct comparison with the most widely recognised national accounting aggregate, gross domestic (or regional) product.

Tourism gross value added: 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 received from the production. This measure is directly comparable with the value added of 'conventional' industries such as mining and manufacturing and can also be used for comparisons across countries.

Tourism output: The total value of goods and services produced in Australia to satisfy visitor consumption. It is measured in basic prices, so it excludes net taxes on tourism products.