

## 2021-2022 REGIONAL TOURISM SATELLITE ACCOUNT

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### Regional Tourism Satellite Account

The Regional Tourism Satellite Account highlights the importance of tourism to the economy of each tourism region in South Australia. The Regional Tourism Satellite Account is based on the State Tourism Satellite Accounts produced by Tourism Research Australia (TRA). The data provides measures of tourism across key economic measures for each individual tourism region. The measures include Gross Regional Product (GRP), tourism Gross Value Added (GVA), tourism consumption and, most importantly, it is the only measure we have of employment in tourism.

The 2021-22 results have been impacted by the COVID-19 pandemic and associated travel restrictions. It should be remembered in considering the results, that the period of data commences 1 July 2021 through to 30 June 2022. Therefore, the overall results are impacted by the significant declines caused by COVID-19.

Some changes to how the data has been processed are also important to note. In previous reporting of the Regional Tourism Satellite Account, normal practice has been to identify tourism regions with visitor survey sample of 500 or less and smooth estimates of economic measures by taking an average over three financial years. There are eight South Australian regions that were previously smoothed: Murray River, Lakes and Coorong, Barossa, Riverland, Clare Valley, Eyre Peninsula, Yorke Peninsula, Kangaroo Island and Adelaide Hills.

Due to COVID impacts, for this release Tourism Research Australia made the deliberate decision not to smooth data for 2021-22 for these regions as that would obscure the significant falls in activity that occurred for most regions and present an unrealistic, overly optimistic assessment.

However, it should be noted that data up to and including 2018-19 is still smoothed for these regions. This has caused some significant changes in this data and results should be considered with caution for the previously smoothed regions.

More detail on the reliability of the data can be sourced on the Tourism Research Australia website.

**National Tourism Satellite Account – Quarterly Release**

To better illustrate the broader context, the results of the Regional Tourism Satellite Account should be considered in the context of more recent quarterly results. These results are produced by the Australian Bureau of Statistics and are only available at a national level, however they provide important context.

The quarterly data shows that nationally, employment in the tourism industry fell sharply with the onset of COVID. This decline would have been worse had the government not intervened with the “JobKeeper” initiative allowing businesses to retain staff. The decline continued through 2020-21 with employment falling again in September 2021 on the back of the new Delta COVID strain. December 2021 saw a strong recovery as border restriction were relaxed.

The national employment total currently resides at 727,000 in March 2023, however 11 per cent lower than the pre-COVID December 2019 quarter.



The rest of this document refers to the South Australian results for the Regional Satellite Account 2021-22.

**Employment**

Adelaide is by far the most affected region by COVID impacts. Between the pre-COVID 2018-19 and 2021-22, tourism employment in Adelaide decreased 31 per cent to 16,600 while in Regional South Australia the number of employed persons decreased

8 per cent to 17,400 people. This was in line with the change in visitor mix as intrastate travel increased into regional South Australia due to the lockdown of international and interstate borders.

These same restrictions negatively impacted the Adelaide region due to its reliance on international and interstate travellers.

Four of the eleven regions showed growth with the Yorke Peninsula the strongest, increasing by 23 per cent to 1,600. This was followed by the Clare Valley and the Fleurieu Peninsula with growth of 20 per cent to 600 and 11 per cent to 4,000 respectively.

The largest decline has come from the Barossa and the Eyre Peninsula down 44 per cent to 500 and 25 per cent to 2,100 respectively.

**Table 1: Direct Tourism Employment 2021-22 compared to 2020-21 and 2018-19**

Tourism region	21-22 no.	% change on 20-21	% change on 18-19
<b>Adelaide</b>	<b>16,600</b>	<b>16%</b>	<b>-31%</b>
<b>Regional South Australia</b>	<b>17,400</b>	<b>-15%</b>	<b>-8%</b>
Adelaide Hills	1,100	-21%	-21%
Barossa	500	-50%	-44%
Clare Valley	600	0%	20%
Eyre Peninsula	2,100	-25%	-25%
Fleurieu Peninsula	4,000	-7%	11%
Flinders Ranges and Outback	2,100	-16%	-19%
Kangaroo Island	1,000	-9%	11%
Limestone Coast	2,000	-20%	-9%
Murray River, Lakes and Coorong	1,300	0%	-19%
Riverland	1,200	-8%	0.0%
Yorke Peninsula	1,600	-16%	23%
<b>South Australia</b>	<b>34,000</b>	<b>-2%</b>	<b>-21%</b>

While the South Australian Tourism Commission bases its targets on the direct employment figures, the report also includes estimates of indirect employment that represents an additional 16,700 jobs across South Australia.

### **Gross Regional Product (GRP)**

Overall GRP for South Australia grew by 7 per cent in 2021-22, with Adelaide up 28 per cent in this period to \$1.3 billion. In Regional South Australia, the GRP decreased 13 per cent to \$939 million.

There was a vast range of impacts for different regions. Increases in GRP for the period were seen for the Clare Valley (up 4%) and the Murray River Lakes and Coorong (5%). The rest of the regions showed declines which ranged from 51 per cent for the Barossa, 18 per cent for the Adelaide Hills, the Limestone Coast and the Eyre Peninsula, 14 per cent for the Yorke Peninsula, 7 per cent for the Riverland, 6 per cent for the Flinders Ranges and Outback and 3 per cent for the Fleurieu Peninsula.

### **Regional Contribution of Tourism**

In looking at the distribution of tourism's economic contribution and tourism employment across South Australia's regions, there are two ways of considering the data:

- Consider the amount that the region contributes to the overall tourism value for the state (i.e., tourism in Kangaroo Island contributes 3.4 per cent of the State's tourism GRP)
- Consider the proportion of contribution tourism makes to that regional economy (i.e., tourism contributes 22.0 per cent of the total GRP for Kangaroo Island).

Importantly, it is the second of these, tourism's share of the regional economy, which demonstrates the economic importance of the tourism industry to a specific region, and that is the figure presented in the Table 1 below.

The following table provides the direct contribution of tourism to each of South Australia's regions in terms of GRP and employment.

**Table 2: Direct Tourism Impact GRP and Employment 2021-22**

Tourism region	Gross regional product (\$m)		Employed persons	
	Total	Share of Region	Total	Share of Region
<b>Adelaide</b>	<b>\$1,346.9</b>	<b>1.4%</b>	<b>16,600</b>	<b>2.2%</b>
<b>Regional South Australia</b>	<b>\$ 939.1</b>	<b>2.7%</b>	<b>17,400</b>	<b>6.9%</b>
Adelaide Hills	\$ 50.5	1.6%	1,100	3.9%
Barossa	\$ 47.9	1.7%	500	2.1%
Clare Valley	\$ 37.4	3.4%	600	8.6%
Eyre Peninsula	\$ 116.5	2.4%	2,100	6.9%
Fleurieu Peninsula	\$ 176.5	5.3%	4,000	13.0%
Flinders Ranges and Outback	\$ 130.7	2.1%	2,100	6.4%
Kangaroo Island	\$ 77.6	22.0%	1,000	34.7%
Limestone Coast	\$ 108.2	1.9%	2,000	5.1%
Murray River, Lakes and Coorong	\$ 69.5	2.6%	1,300	6.4%
Riverland	\$ 56.8	2.3%	1,200	6.2%
Yorke Peninsula	\$ 67.5	2.4%	1,600	8.4%
<b>South Australia</b>	<b>\$2,286.0</b>	<b>1.8%</b>	<b>34,000</b>	<b>3.4%</b>

**Origin share of tourism consumption**

Tourism consumption is the total value of tourism goods and services consumed by residents and overseas visitor spread across the main tourism related products. It also includes imputation of the costs of services consumed in activities that are free of charge (i.e., museums and nature parks).

The following analysis looks at the sources of tourism consumption across different regions. This highlights the extent to which each region is dependent on a particular market for overall tourism consumption.

Adelaide prior to COVID was the most exposed region to the international market, however in this year’s results only 4 per cent of tourism consumption comes from this market. Prior to COVID Adelaide’s share was 27 per cent, displaying how the Adelaide market has been hugely affected. Kangaroo Island saw 2 per cent of tourism consumption for the international market, prior to COVID this was 25 per cent. Unlike Adelaide, Kangaroo Island has been able make up this decline in share through increased intrastate travel.

With limited international travel only two regions (Adelaide and Kangaroo Island) sourced more than 1 per cent consumption from the international market. In terms of exposure to the interstate overnight market, Adelaide again tops the list at 49 per cent. The Limestone is the next most exposed at 27 per cent. The Barossa, the Flinders Ranges and Outback, Kangaroo Island and the Clare Valley all have at least one fifth of tourism consumption sourced from the interstate overnight market.

Overall, through COVID regional SA has been able to substitute interstate overnight with intrastate visitation, however Adelaide has not had the same success resulting in a large decline in GRP and employment.

**Table 3: Origin Share of Tourism Consumption 2021-22**

Tourism Region	Consumption (\$m)	Same-day travel	Intrastate overnight	Interstate overnight	International overnight
<b>Adelaide</b>	<b>\$2,573m</b>	<b>26%</b>	<b>25%</b>	<b>49%</b>	<b>4%</b>
<b>Regional South Australia</b>	<b>\$3,586m</b>	<b>26%</b>	<b>55%</b>	<b>19%</b>	<b>0%</b>
Adelaide Hills	\$165m	58%	23%	18%	0%
Barossa	\$277m	47%	32%	21%	0%
Clare Valley	\$172m	19%	58%	23%	0%
Eyre Peninsula	\$405m	22%	59%	19%	0%
Fleurieu Peninsula	\$694m	33%	54%	13%	0%
Flinders Ranges and Outback	\$464m	17%	59%	24%	0%
Kangaroo Island	\$210m	4%	75%	21%	2%
Limestone Coast	\$419m	22%	51%	27%	0%
Murray River, Lakes and Coorong	\$237m	31%	58%	11%	0%
Riverland	\$240m	20%	64%	16%	0%
Yorke Peninsula	\$302m	19%	69%	12%	0%
<b>South Australia</b>	<b>\$6,159m</b>	<b>26%</b>	<b>43%</b>	<b>31%</b>	<b>2%</b>

**Publication of Results**

The results will be published as interactive online factsheets hosted on the Tourism Research Australia website. The SATC’s corporate website will provide a link to this site to enable access to the detailed information for each region.

## **SUMMARY/CONCLUSION**

The Regional Tourism Satellite Account highlights the importance of tourism to the economy of each tourism region in South Australia.

The Regional Tourism Satellite Account is based on the State Tourism Satellite Account.

Between 2018-19 and 2021-22, tourism employment in Adelaide had decreased 31 per cent to 16,600 (14,300 in 2020-21) while in Regional South Australia the number of employed persons had decreased 8 per cent to 17,400 (20,400 in 2020-21) people.

GRP for Adelaide decreased 41 per cent in this period to \$1.3 billion. In Regional South Australia, the GRP decreased 25 per cent to \$939 million.

The results highlight the uneven impact of COVID on Tourism across South Australia with Adelaide having a higher reliance on international and/or domestic interstate visitors more impacted compared to the benefits received by the regions through increased intrastate travel with border closures.

## **A NOTE ON THE RESULTS**

Note that in public reporting, the SATC consistently reports visitor expenditure, as reported by the International Visitor Survey and the National Visitor Survey as our primary performance metrics. Aside from the jobs figures provided in this report, the dollar figures are regarded as secondary metrics and useful primarily in comparing the Visitor Economy to other sectors on a like-for-like basis. To avoid confusion to more general audiences, we recommend continuing to report visitor expenditure as the primary metric of tourism impact in South Australia.