

## 2022-2023 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 2022-23 results are no longer 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 2022 through to 30 June 2023. Therefore, the overall results have seen exceptionally strong growth on 2021-22 that was severely 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.

TRA chose not to smooth the results for 2022-23 for these regions, acknowledging that COVID-related impacts in the preceding years (especially 2020-21) would have seriously compromised the result.

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 to its lowest level 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 645,000 in March 2024, however 14 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 2022-23.

**Employment**

Adelaide has been by far the most affected by COVID impacts. From 2018-19 to 2021-22 employment in Adelaide fell from 24,000 to 15,000, before exceptionally strong growth over the last year saw employment rise back to 21,900. Regional SA experienced decline, but not to the same level as Adelaide. Employment in Regional SA fell from 18,900 in 2018-19 to 15,800 in 2021-22, before rising back to 18,800 in 2022-23.

In 2022-23 tourism employment in Adelaide rose to 21,900 while in Regional South Australia the number of employed persons rose to 18,800 people. The changes in employment were in line with the change in visitor mix, with the borders open international and interstate visitation grew and intrastate visitation slowed.

These changes positively impacted the Adelaide region due to its reliance on international and interstate travellers.

Ten of the eleven regions showed growth with Kangaroo Island the strongest, increasing by 38 per cent to 1,100. This was followed by the Adelaide Hills and the Yorke Peninsula with growth of 37 per cent to 1,400 and 1,900 respectively.

The only decline has come from the Clare Valley down 8 per cent to 500.

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

Tourism region	22-23 no.	% change on 21-22	% change on 18-19
<b>Adelaide</b>	<b>21,900</b>	<b>46%</b>	<b>-9%</b>
<b>Regional South Australia</b>	<b>18,800</b>	<b>19%</b>	<b>-1%</b>
Adelaide Hills	1,400	37%	0%
Barossa	800	9%	-12%
Clare Valley	500	-8%	11%
Eyre Peninsula	2,100	6%	-24%
Fleurieu Peninsula	4,000	14%	10%
Flinders Ranges and Outback	2,400	22%	-7%
Kangaroo Island	1,100	38%	18%
Limestone Coast	2,100	23%	-4%
Murray River, Lakes and Coorong	1,400	18%	-14%
Riverland	1,000	6%	-13%
Yorke Peninsula	1,900	37%	48%
<b>South Australia</b>	<b>40,600</b>	<b>32%</b>	<b>-5%</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 17,400 jobs across South Australia.

### Gross Regional Product (GRP)

Overall GRP in 2022-23 for South Australia rose by 65 per cent with Adelaide up 84 per cent in this period to \$2.5 billion. In Regional South Australia, the GRP increased 39 per cent to \$1.3 billion.

Besides the Clare Valley all regions saw strong growth. The strongest growth in GRP was seen from the Yorke Peninsula, up 79 per cent, followed by the Adelaide Hills, up 66 per cent and Kangaroos Island, up 63 per cent. The Clare Valley saw GRP fall by 9 per cent to \$34 million, down on 21-22 results but still up 12 per cent on 2018-19.

### 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 2.6 per cent of the State’s tourism GRP)
- Consider the proportion of contribution tourism makes to that regional economy (i.e., tourism contributes 27.7 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 2022-23**

Tourism region	Gross regional product (\$m)		Filled jobs	
	Total	Share of Region	Total	Share of Region
<b>Adelaide</b>	<b>\$2,466</b>	<b>2.3%</b>	<b>21,900</b>	<b>2.9%</b>
<b>Regional South Australia</b>	<b>\$1,346</b>	<b>3.6%</b>	<b>18,800</b>	<b>7.2%</b>
Adelaide Hills	\$83	2.4%	1,400	4.8%
Barossa	\$73	2.4%	800	3.8%
Clare Valley	\$34	3.1%	500	6.2%
Eyre Peninsula	\$165	3.3%	2,100	6.4%
Fleurieu Peninsula	\$253	7.0%	4,000	12.6%
Flinders Ranges and Outback	\$193	2.9%	2,400	7.0%
Kangaroo Island	\$99	27.7%	1,100	37.6%
Limestone Coast	\$161	2.8%	2,100	5.2%
Murray River, Lakes and Coorong	\$94	3.5%	1,400	7.0%
Riverland	\$72	2.8%	1,000	5.3%
Yorke Peninsula	\$119	4.3%	1,900	10.1%
<b>South Australia</b>	<b>\$3,812</b>	<b>2.7%</b>	<b>40,600</b>	<b>4.0%</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, in 2021-22 when international borders were closed only 5 per cent of tourism consumption came from this market. In the latest results as the international market grows back to 2019 levels we have seen this consumption in Adelaide grow to 21 per cent. Prior to COVID Adelaide’s share was 27 per cent, displaying how the Adelaide market has been hugely affected.

As we move further away from the COVID affected years and visitation normalises we are starting to see the share of consumption move closer to 2018-19 levels. Overall, the intrastate share of consumption is above 2018-19 and interstate and international below. As we move in 2023-24 on the back of strong interstate and international travel the share of consumption will grow for these markets.

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

Tourism Region	Consumption	Same-day travel	Intrastate overnight	Interstate overnight	International overnight
<b>Adelaide</b>	<b>\$5.3bn</b>	<b>17%</b>	<b>20%</b>	<b>41%</b>	<b>21%</b>
<b>Regional South Australia</b>	<b>\$4.9bn</b>	<b>28%</b>	<b>46%</b>	<b>23%</b>	<b>3%</b>
Adelaide Hills	\$300m	49%	21%	21%	9%
Barossa	\$300m	44%	31%	22%	3%
Clare Valley	\$200m	24%	54%	20%	2%
Eyre Peninsula	\$500m	16%	58%	25%	2%
Fleurieu Peninsula	\$900m	39%	47%	12%	2%
Flinders Ranges and Outback	\$700m	12%	49%	36%	3%
Kangaroo Island	\$300m	3%	56%	29%	11%
Limestone Coast	\$600m	29%	36%	33%	1%
Murray River, Lakes and Coorong	\$300m	48%	32%	14%	6%
Riverland	\$300m	23%	48%	28%	0%
Yorke Peninsula	\$500m	27%	62%	10%	1%
<b>South Australia</b>	<b>\$10.3bn</b>	<b>22%</b>	<b>33%</b>	<b>32%</b>	<b>13%</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 2022-23, tourism employment in Adelaide had decreased 9 per cent to 21,900 (15,000 in 2021-22) while in Regional South Australia the number of employed persons had decreased 1 per cent to 18,700 (15,800 in 2021-22) people.

GRP for Adelaide increased 8 per cent in this period to \$2.5 billion. In Regional South Australia, the GRP increased 7 per cent to \$1.3 billion.

The results highlight that recovery from the impact of COVID on Tourism across South Australia and Adelaide is well under way with strong growth from the international and domestic interstate visitors. Intrastate visitation is still strong even with borders open. Overall, the state has progressed strongly in 2022-23 as travel normalise back to pre-COVID times.

## 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.