

Economic Contribution of Tourism to Victoria 2022-23



Results from the State Tourism Satellite Account 2022-23 from Tourism Research Australia.

Released April 2024





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We acknowledge the Traditional Aboriginal Owners of Country throughout Victoria and pay our respects to them, their connections to land, sea, and community. We pay our respects to their Elders past and present and future Traditional Owners.

Economic contribution of tourism to Victoria 2022-23

Tourism in Victoria was estimated to be worth \$28.2 billion to the economy in GSP and generated approximately 257,500 filled jobs in 2022-23. These results reflect the strong rebound in tourism activity in 2022-23 and note large increases in key economic metrics from 2021-22 in a period where Australians were travelling extensively domestically and when international visitors started to return.



Tourism GSP

\$28.2 billion

↑78.5% FY 22/23 ↓4.0% FY 19/23



Tourism filled jobs

257,500

↑61.6% FY 22/23 ↓9.5% FY 19/23



Tourism GVA

\$25.5 billion

↑82.4% FY 22/23 ↓3.4% FY 19/23

Summary

- Victoria has noted improvements in key tourism economic indicators in the 2022-23 results compared to a more challenging period in 2021-22, however were slightly lower than 2018-19. Due to the lag in the delivery of economic data, these results capture market conditions from the 2022-23 financial year, despite more positive recent data, with total tourism spend in Victoria reaching a record-breaking \$37.8 billion in the year ending December 2023.
- In 2022-23 tourism was worth \$28.2 billion to the Victorian economy in GSP, up \$12.4 billion (+78.5%) compared to 2021-22 although was slightly lower than the 2018-19 estimate (-4.0%).
- The decline in tourism GSP compared to 2018-19 was against the overall growth trend for GSP in the Victorian economy compared to 2018-19 (+23.3%) and reflects the challenging conditions faced by the tourism sector in this period due to the pandemic.
- Tourism GSP in Victoria grew from 2021-22 to 2022-23 at a rate above the national growth performance (+70.6%) and Queensland (+58.1%), although was below New South Wales (+90.0%).
- Tourism's overall contribution to Victorian GSP has regained share, up from 3.1% in 2021-22 to 5.0% in 2022-23. However, this remains below the 2018-19 share of 6.4%.
- Tourism filled jobs have increased to 257,500 in 2022-23 from 159,300 in 2021-22 (+61.6%), reflecting strong activity in the sector driven by pent-up demand to travel. This was below the 2018-19 result of 284,500 tourism filled jobs in 2018-19 (-9.5%).
- Victoria noted growth in tourism filled jobs from 2021-22 that was well above the national result (+53.3%) and Queensland (+41.8%), although below the growth rate of New South Wales (+75.8%).
- Tourism's contribution to filled jobs in Victoria increased from 4.3% in 2021-22 to 6.5% in 2022-23, however was below the 2018-19 result of 8.0%.
- Direct tourism filled jobs made a higher contribution to employment in Victoria than other key industries such as financial and insurance services (3.5%), agriculture, forestry and fishing (2.5%) and mining (0.3%) in 2022-23, reinforcing its importance to Victoria's economy.

Economic contribution of tourism to Victoria 2022-23

Gross State Product (GSP)

Tourism's contribution to Victoria's GSP has increased to \$28.2 billion in 2022-23, up \$12.4 billion from 2021-22.

- In 2022-23, tourism directly contributed \$13.9 billion to the Victorian economy. Direct tourism GSP was 85.1% above the 2021-22 estimate but remained 4.7% below the 2018-19 result.
- Tourism generated a 2.4% direct share of GSP in the state, up from 1.5% in 2021-22 (although down 0.7% points from 2018-19).
- Tourism contributes to Victoria's economy indirectly through the flow on effects of spending by visitors. For example, this might include the fresh produce supplied to a hotel to deliver meals to guests.
- For every dollar spent directly on tourism in the Victorian economy, an additional 85 cents was spent indirectly elsewhere in the economy.
- Tourism indirectly contributed an additional \$14.3 billion in GSP to the Victorian economy in 2022-23, up 72.5% from 2021-22 and was just 3.2% below the 2018-19 estimate.
- In total, tourism in Victoria was worth \$28.2 billion in GSP, recording an increase of 78.5% compared to a period of low activity in 2021-22. This was just 4.0% below the 2018-19 estimate.
- Tourism's share of Victoria's GSP increased from 3.1% in 2021-22 to 5.0% in 2022-23. Tourism's share of GSP remains below its 2018-19 contribution of 6.4%.

Chart 1. Tourism's % contribution to Victorian GSP

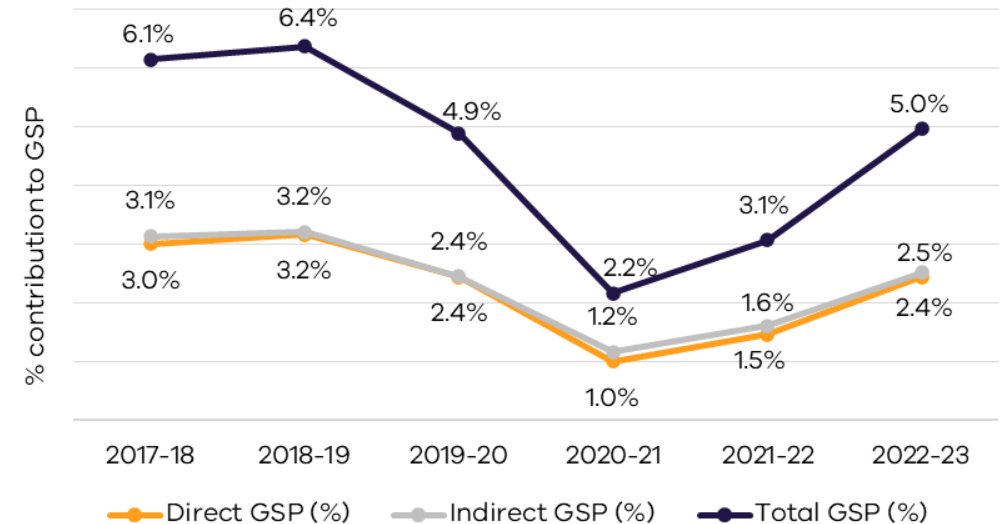
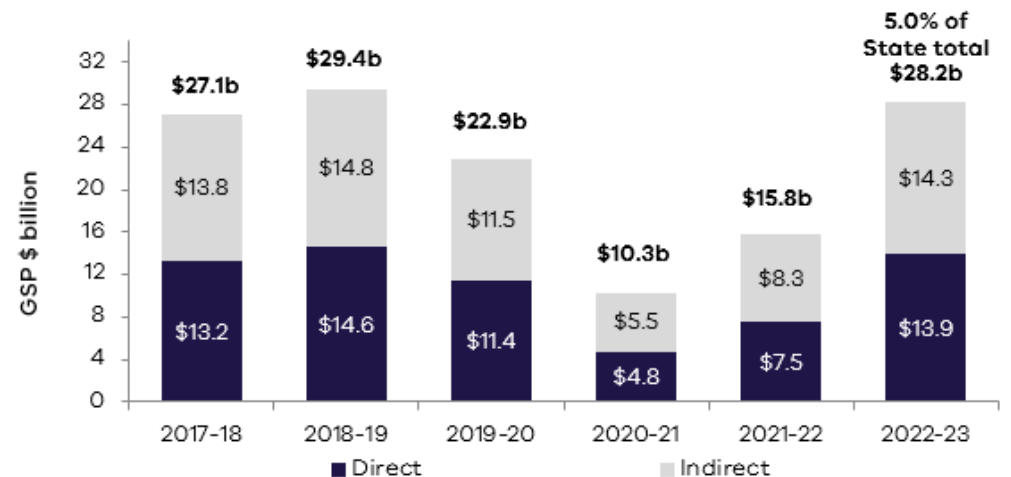


Chart 2. Tourism's contribution to Victoria GSP



Economic contribution of tourism to Victoria 2022-23

Gross Value Added (GVA)

Tourism's contribution to Victoria's GVA was worth \$25.5 billion in 2022-23, an increase of \$11.5 billion from 2021-22.

- The contribution of tourism to the Victorian economy is best measured by GVA which 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 \$12.6 billion in GVA in 2022-23, noting an increase of 82.5% from 2021-22, although remained 5.7% below the 2018-19 estimate. This accounted for 2.4% of direct industry GVA in Victoria during 2022-23, up from 1.4% in 2021-22 (although down 0.8% points from 2018-19).
- As noted in chart 3, in 2022-23 direct GVA in Victoria was largely made up of domestic travel (worth \$10.3 billion or 82.0% of direct GVA), as international visitors were slower to return to travel post pandemic. This comprised of:
 - Intrastate overnight travel - \$4.2 billion (33.6%)
 - Interstate overnight travel - \$3.8 billion (30.0%)
 - Daytrips - \$2.3 billion (18.4%).
- In comparison, international travel made up 18.0% of direct tourism GVA at \$2.3 billion, reflecting its slower recovery (down from a 34.5% contribution in 2018-19).
- All domestic travel categories had recovered to 2018-19 direct GVA levels although international remained 50.7% below the pre-pandemic result.
- Tourism indirectly contributed an additional \$12.9 billion to Victorian GVA. Therefore, tourism was worth \$25.5 billion to Victoria's economy in total GVA in 2022-23, noting an increase of 82.4% from 2021-22 while remaining down marginally by 3.4% from 2018-19.
- In comparison, GVA in the whole of the Victorian economy grew 24.1% from 2018-19 to 2022-23. As a result, tourism's total share of GVA in the Victorian economy fell from 6.2% in 2018-19 to 4.8% in 2022-23.

Chart 3. Composition of total direct GVA in Victoria 2022-23

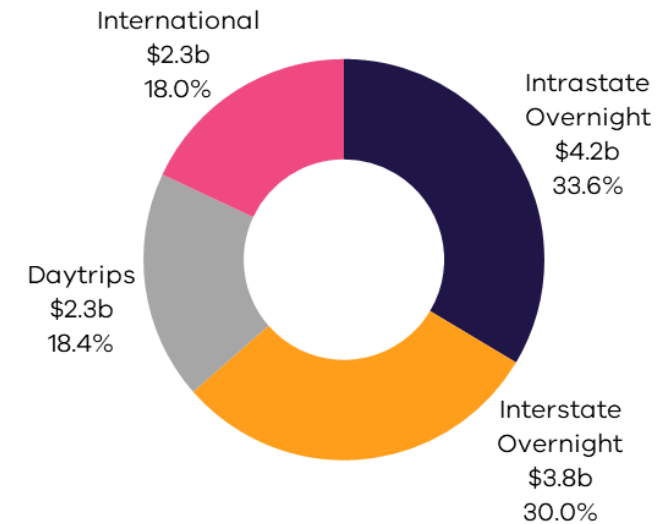
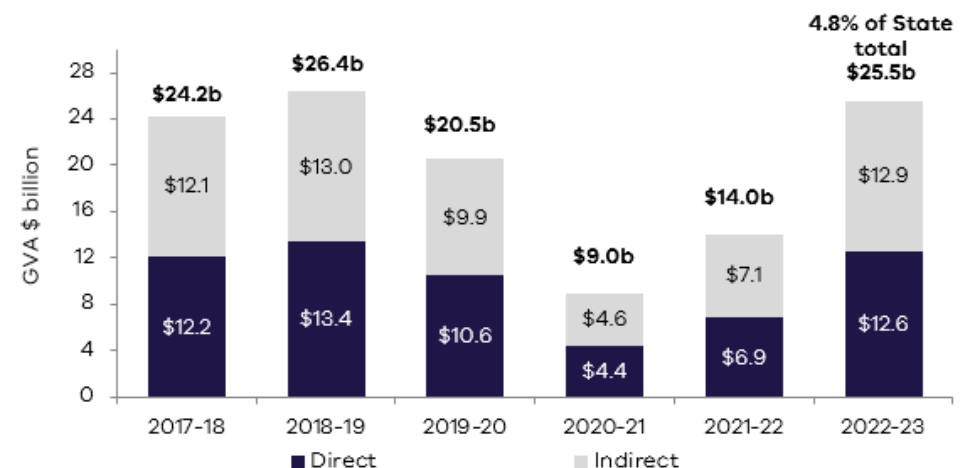


Chart 4. Tourism contribution to Victoria's Gross Value Added



Economic contribution of tourism to Victoria 2022-23

Tourism filled jobs

Direct tourism filled jobs in Victoria increased in 2022-23 to reach 163,600, an increase of 54,800 jobs from 2021-22.

- In 2022-23, tourism directly generated approximately 163,600 filled jobs in Victoria, up 50.4% from the 2021-22 estimate (but down 14.7% from 2018-19). This comprised 4.2% of direct filled jobs in the state, up from 2.9% in 2021-22 (but down 1.3% points from 2018-19).
- Looking at the distribution of tourism jobs across Victorian industries, cafés, restaurants and takeaway food services (38.3%) accounted for the largest share of direct tourism filled jobs, followed by retail trade (15.9%), accommodation (13.3%) and clubs, pubs, taverns and bars (8.2%).
- Direct filled jobs in the accommodation and retail trade sector increased strongly compared to 2021-22 (both up 45.8%). Very high growth was also noted in cafes, restaurants and takeaway food services (+44.8%) and clubs, pubs taverns and bars (+43.7%) compared to 2021-22.
- All key industries had not returned to 2018-19 levels of direct filled jobs although cafes, restaurants and takeaway food services was just below the 2018-19 result (-1.6%), with the accommodation sector also close to recovery (-9.6%).
- The distribution of full-time vs part-time direct tourism filled 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 (48.6%), followed by retail trade (15.8%) and accommodation (10.8%) industries.
- There was a higher share of full-time workers in most categories apart from cafés, restaurants and takeaway food services and clubs, pubs and taverns which had higher shares of part-time workers, reflecting the casual nature of work in these sectors.

Chart 5. Composition of direct tourism filled jobs by industry

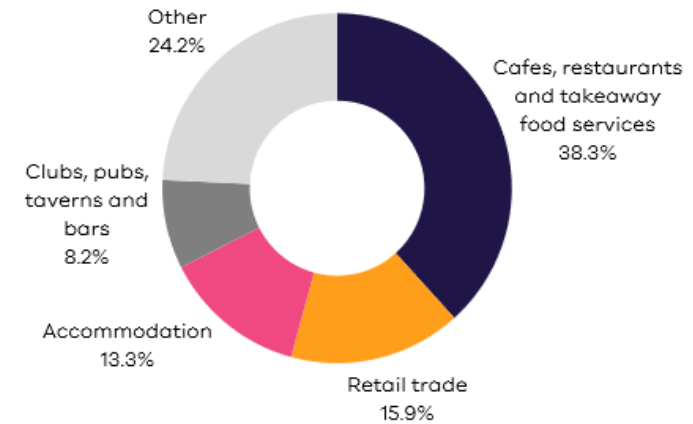
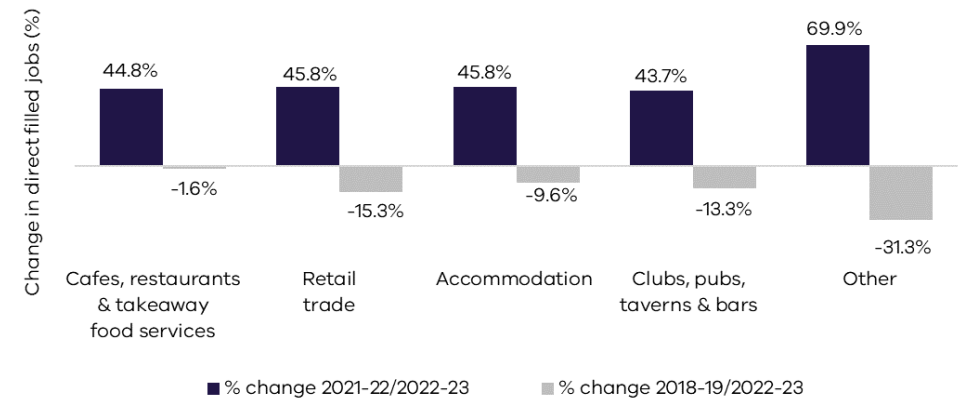


Chart 6. Change in direct filled jobs by industry 2021-22/2022-23 and 2018-19/2022-23



Economic contribution of tourism to Victoria 2022-23

Tourism filled jobs

Tourism filled jobs in Victoria have lifted to 257,500 in 2022-23, up 98,200 jobs from 2021-22, but remain below the 2018-19 estimate.

- As noted in chart 7 below, direct tourism filled jobs in Victoria had a slightly higher proportion of full-time jobs (51%) relative to part-time jobs (49%) in 2022-23.
- The indirect component of tourism filled jobs in Victoria noted an increase of 85.7% compared to 2021-22 to reach 93,900. This was 1.3% above the 2018-19 estimate. The indirect share of tourism filled jobs in Victoria increased from 1.4% in 2021-22 to 2.4% in 2022-23, which was just below the 2018-19 estimate of 2.6%.
- In total, 257,500 tourism filled jobs were recorded in 2022-23, up 61.6% compared to 2021-22. However, this was below the 2018-19 result (-9.5%). In comparison, filled jobs in the Victorian economy overall grew by 11.4% from 2018-19 to 2022-23, reinforcing the negative impacts of the pandemic on tourism jobs relative to other industries.
- Tourism's share of overall filled jobs in Victoria was 6.5% in 2022-23 which was above the 2021-22 result of 4.3% but below the 2018-19 estimate of 8.0%.

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



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

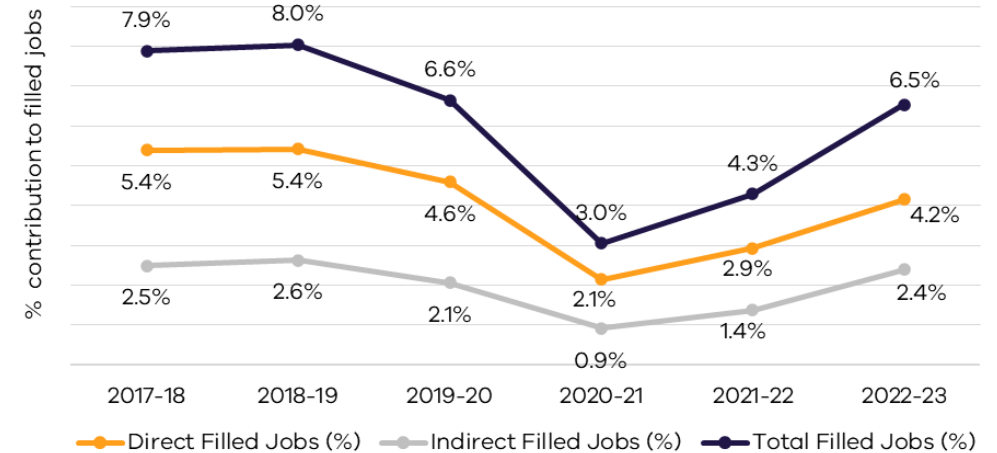
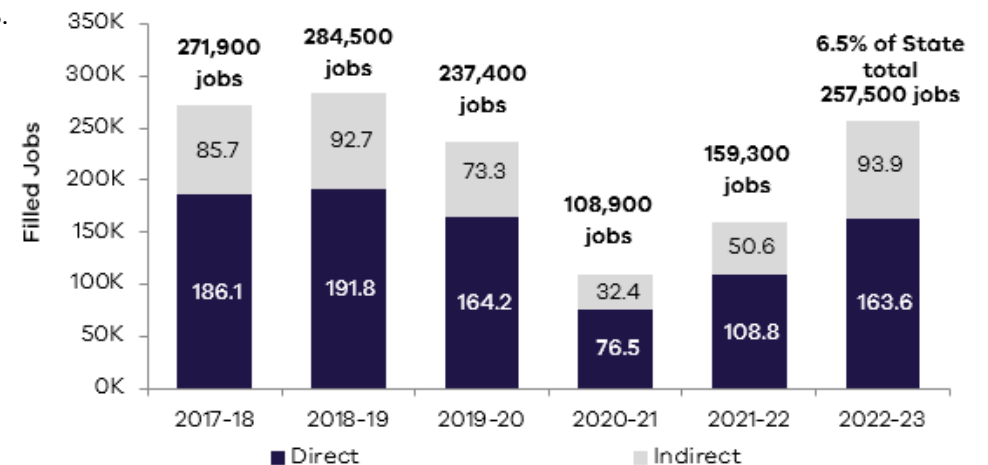


Chart 9. Tourism's contribution to filled jobs in Victoria



Economic contribution of tourism to Victoria 2022-23

Industry Comparison

- Tourism's share of direct GVA for the state in 2022-23 (2.4%) was above other key industries including agriculture, forestry and fishing (2.0%) and mining (1.7%). The highest contribution was delivered by financial and insurance services (9.7%), followed by health care and social assistance, and professional, scientific and technical services (both at 9.5%), then construction (8.0%).
- Tourism's share of direct GVA noted an increase of 0.9% points from 2021-22, above the rate of increase of other key industries. The largest decline in share of GVA was noted in the agriculture, forestry and fishing sector, down 1.0% point from 2021-22 to 2022-23 (refer to chart 10).
- Tourism's share of direct filled jobs for the state (4.2%), increased by 1.2% points compared to 2021-22. This was higher than the growth in share noted in all other key industries (refer chart 11).
- Direct tourism filled jobs made a higher contribution to filled jobs in Victoria than financial and insurance services (3.5%), agriculture, forestry and fishing (2.5%) and mining (0.3%) in 2022-23.

Tourism Consumption

- Total tourism consumption in Victoria increased by 79.4% from 2021-22 to \$36.6 billion. This was larger than the rate of increase in consumption nationally relative to 2021-22 (+71.5%) and Queensland (+59.3% to \$40.5 billion), but lower than the rate of increase noted in New South Wales (+91.1% to \$48.7 billion).
- Consumption levels in Victoria were 1.2% above the 2018-19 estimate reflecting strong pent-up demand to spend on travel post pandemic.
- Approximately three-quarters (76%) of Australia's total tourism consumption was concentrated in New South Wales, Queensland and Victoria in 2022-23.
- Tourism demand in Victoria in 2022-23 was driven by domestic market with consumption concentrated in the intrastate (32.6%), interstate (27.8%) and daytrip (24.1%) segments. Consumption in all domestic travel categories had returned above 2018-19 levels, while the international category remained below (-47.7%), reflecting the slower return of international travellers due to global market challenges.

Chart 10. % Contribution to GVA in Victoria by industry

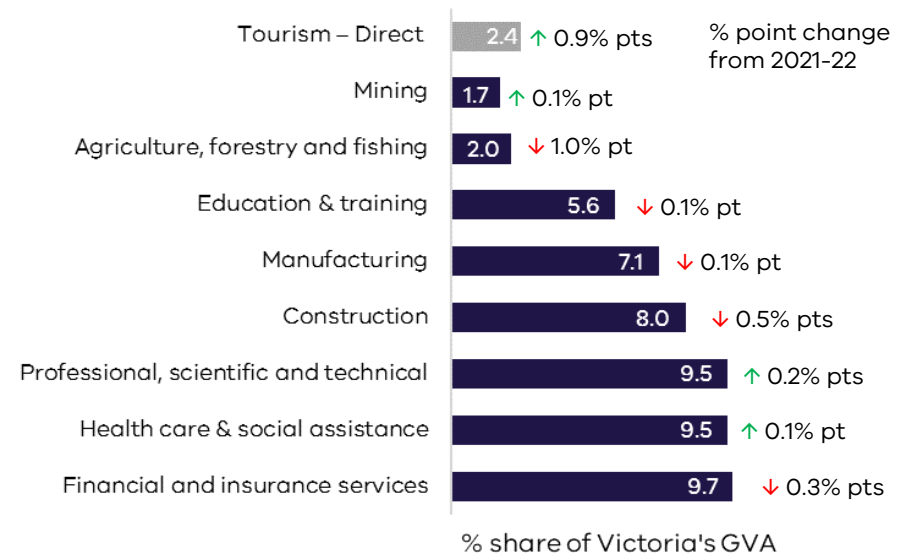
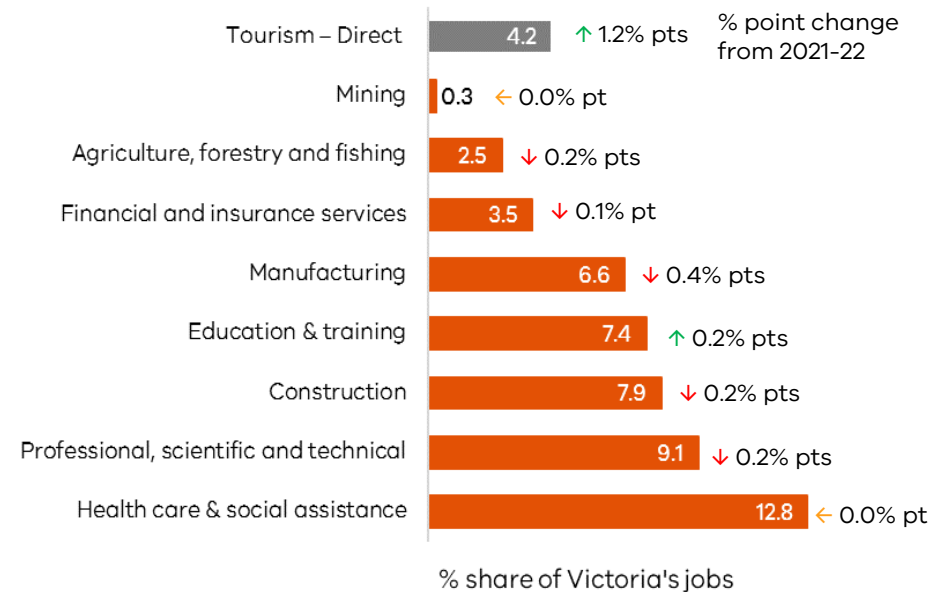


Chart 11. % Contribution to filled jobs in Victoria by industry



Economic contribution of tourism to Victoria 2022-23

State / Territory Comparisons

Victoria's tourism sector noted very high growth in GSP and jobs in 2022-23 compared to 2021-22, above the national average.

- Tourism generated \$128.7 billion in Gross Domestic Product (GDP) for Australia in 2022-23, up 70.6% year-on-year. This was 3.5% above the 2018-19 estimate.
- The jurisdictions that contributed the most to tourism GDP in Australia in 2022-23 were New South Wales at \$38.2 billion, followed by Queensland at \$31.8 billion and Victoria at \$28.2 billion.
- Victoria recorded very high growth in GSP of 78.5% compared to 2021-22 reflecting strong tourism demand. Victoria's growth in GSP was well above the national rate (+70.6%) and Queensland (+58.1%), although behind very high growth in New South Wales (+90.0%).
- Victoria is still yet to fully return to its 2018-19 GSP result (-4.0%). Most jurisdictions have recorded GSP above 2018-19 levels including Queensland (+12.9%) and New South Wales (+0.4%), while Tasmania is also yet to recover (-3.2%).
- Nationally, tourism's total contribution (direct and indirect) to tourism filled jobs was 1.1 million. This was up 53.3% compared to 2021-22 although 3.7% below the 2018-19 result, reflecting some ongoing challenges in the tourism labour market nationally including skills shortages.
- The jurisdictions that contributed the most to total national tourism filled jobs in 2022-23 were New South Wales at 292,300 followed by Queensland at 259,700, and Victoria at 257,500 tourism filled jobs.
- Total tourism filled jobs experienced strong growth in New South Wales in 2022-23 compared to 2021-22 (+75.8%), with Victoria up 61.6% and Queensland up 41.8%, compared to a period of low activity in the previous year due to the pandemic.

Chart 12. State comparison of tourism's contribution to GSP 2022-23

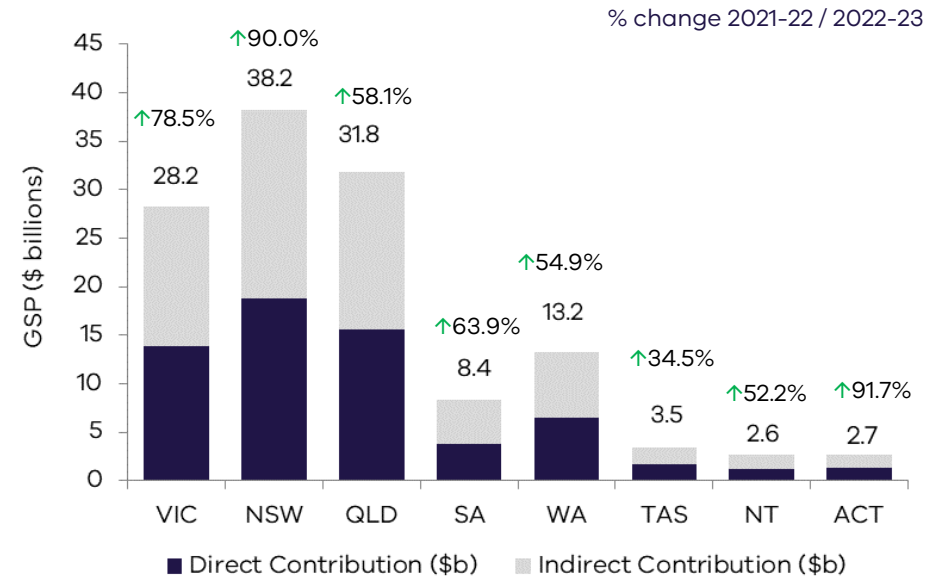
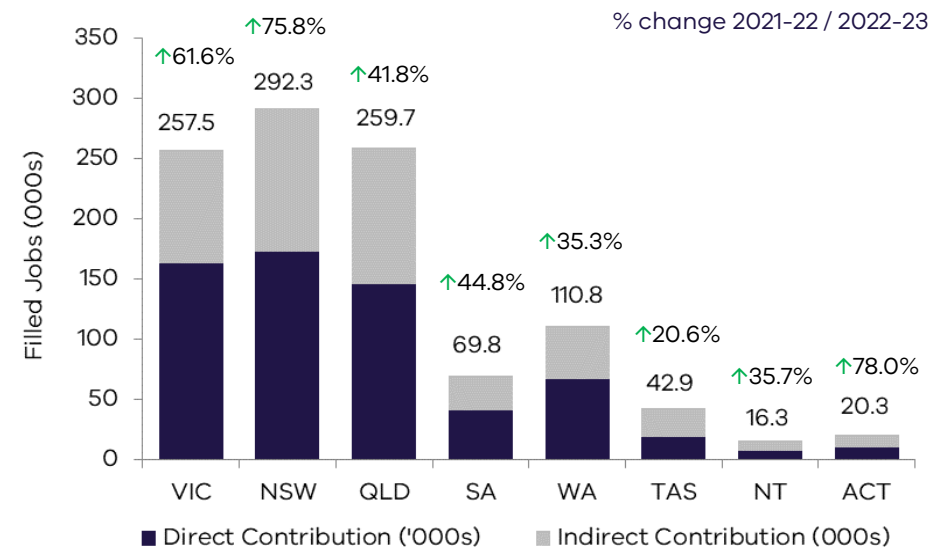


Chart 13. State comparison of tourism filled jobs 2022-23



Economic contribution of tourism to Victoria 2022-23

State / Territory Comparisons

The contribution of tourism GSP and filled jobs in Victoria to the overall economy has increased from 2021-22 although remains below 2018-19 levels.

Gross State Product (GSP)

- Victoria's tourism industry contributed 5.0% to the state's economy in GSP, which represents an increase of 1.9% points compared to 2021-22 but was 1.4% points below 2018-19 estimates.
- Chart 14 shows that tourism in Tasmania made the greatest contribution to its state's GSP at 8.6% in 2022-23, reflecting its high reliance on the sector. This was followed by the Northern Territory (8.1%), Queensland (6.3%) and South Australia (5.9%), with New South Wales at 4.9%.
- Tourism's share of GSP in Victoria was on par with the national average (5.0%). Western Australia's tourism industry made the lowest contribution to GSP in 2022-23 at 3.0%.

Tourism Filled Jobs

- Victoria's tourism industry contributed 6.5% to overall filled jobs in 2022-23, just below the national average rate (7.0%). This has increased by 2.2% points from 2021-22, however was 1.5% points below 2018-19.
- Tasmania's high reliance on the tourism industry is also reflected in tourism filled jobs estimates, with the industry contributing 13.0% to overall filled jobs in the state in 2022-23.
- The Northern Territory's tourism industry also comprised a high proportion of overall filled jobs (10.9%), followed by Queensland (8.4%) and ACT (7.5%), with New South Wales at 6.1%.

Chart 14. Contribution of total GSP to each jurisdiction



Chart 15. Contribution of filled jobs to each jurisdiction



Economic contribution of tourism to Victoria 2022-23

Table 1: Tourism's contribution in Victoria to GVA, GSP and Filled Jobs 2017-18 to 2022-23

Tourism Economic Contribution	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	AAG (2018-23) (% p.a.)	YOY change (2022-23) (%)	4 year change (2019-23) (%)
Gross Value Added (GVA)									
Direct GVA (\$m)	12,153	13,388	10,582	4,401	6,915	12,619	0.8% p.a.	82.5%	-5.7%
Indirect GVA (\$m)	12,077	13,050	9,927	4,586	7,081	12,908	1.3% p.a.	82.3%	-1.1%
Total GVA (\$m)	24,230	26,438	20,509	8,987	13,996	25,527	1.0% p.a.	82.4%	-3.4%
Direct GVA (%)	3.0%	3.1%	2.4%	1.0%	1.4%	2.4%	-0.6%pt	0.9%pt	-0.8%pt
Indirect GVA (%)	3.0%	3.1%	2.3%	1.0%	1.5%	2.4%	-0.5%pt	1.0%pt	-0.6%pt
Total GVA (%)	6.0%	6.2%	4.7%	2.0%	2.9%	4.8%	-1.2%pt	1.9%pt	-1.4%pt
Gross State Product (GSP)									
Direct GSP (\$m)	13,248	14,589	11,449	4,760	7,506	13,897	1.0% p.a.	85.1%	-4.7%
Indirect GSP (\$m)	13,811	14,811	11,498	5,521	8,310	14,330	0.7% p.a.	72.5%	-3.2%
Total GSP (\$m)	27,059	29,400	22,947	10,280	15,816	28,227	0.8% p.a.	78.5%	-4.0%
Direct GSP (%)	3.0%	3.2%	2.4%	1.0%	1.5%	2.4%	-0.6%pt	1.0%pt	-0.7%pt
Indirect GSP (%)	3.1%	3.2%	2.4%	1.2%	1.6%	2.5%	-0.6%pt	0.9%pt	-0.7%pt
Total GSP (%)	6.1%	6.4%	4.9%	2.2%	3.1%	5.0%	-1.2%pt	1.9%pt	-1.4%pt
Filled Jobs									
Direct Filled Jobs (000s)	186.1	191.8	164.2	76.5	108.8	163.6	-2.5% p.a.	50.4%	-14.7%
Indirect Filled Jobs (000s)	85.7	92.7	73.3	32.4	50.6	93.9	1.8% p.a.	85.7%	1.3%
Total Filled Jobs (000s)	271.9	284.5	237.4	108.9	159.3	257.5	-1.1% p.a.	61.6%	-9.5%
Direct Filled Jobs (%)	5.4%	5.4%	4.6%	2.1%	2.9%	4.2%	-1.2%pt	1.2%pt	-1.3%pt
Indirect Filled Jobs (%)	2.5%	2.6%	2.1%	0.9%	1.4%	2.4%	-0.1%pt	1.0%pt	-0.2%pt
Total Filled Jobs (%)	7.9%	8.0%	6.6%	3.0%	4.3%	6.5%	-1.3%pt	2.2%pt	-1.5%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 Account 2022-23, produced by Tourism Research Australia, April 2024.
Research report produced by the Tourism and Events Research Unit, April 2024.

Economic contribution of tourism to Victoria 2022-23

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

2022-23	Gross State Product			Gross Value Added			Filled Jobs		
	Total (\$m)	% change 2021-22 to 2022-23	% change 2018-19 to 2022-23	Total (\$m)	% change 2021-22 to 2022-23	% change 2018-19 to 2022-23	Total ('000)	% change 2021-22 to 2022-23	% change 2018-19 to 2022-23
Australia	128,650	70.6%	3.5%	115,289	73.8%	4.6%	1,069.6	53.3%	-3.7%
Victoria	28,227	78.5%	-4.0%	25,527	82.4%	-3.4%	257.5	61.6%	-9.5%
New South Wales	38,246	90.0%	0.4%	34,297	93.4%	1.6%	292.3	75.8%	-7.8%
Queensland	31,778	58.1%	12.9%	28,623	61.3%	14.0%	259.7	41.8%	5.1%
South Australia	8,363	63.9%	7.4%	7,069	64.2%	8.8%	69.8	44.8%	1.9%
Western Australia	13,205	54.9%	8.8%	11,941	58.6%	10.0%	110.8	35.3%	0.9%
Tasmania	3,470	34.5%	-3.2%	3,159	37.5%	-1.6%	42.9	20.6%	-8.6%
Northern Territory	2,642	52.2%	1.8%	2,247	52.5%	4.5%	16.3	35.7%	-2.6%
ACT	2,719	91.7%	8.7%	2,426	94.1%	9.5%	20.3	78.0%	3.6%

Table 3: Industry share of direct GVA and filled jobs

Share of State Total by Industry	GVA (%)					Filled Jobs (%)				
	2018-19	2021-22	2022-23	% change 2021-22 to 2022-23	% change 2018-19 to 2022-23	2018-19	2021-22	2022-23	% change 2021-22 to 2022-23	% change 2018-19 to 2022-23
Financial and insurance services	10.2	9.9	9.7	-0.3% pts	-0.5% pts	3.6	3.7	3.5	-0.1% pts	-0.1% pts
Health care & social assistance	8.3	9.4	9.5	0.1% pts	1.2% pts	12.2	12.9	12.8	0.0% pts	0.6% pts
Professional, scientific and technical services	8.5	9.3	9.5	0.2% pts	1.0% pts	9.2	9.3	9.1	-0.2% pts	-0.1% pts
Construction	8.6	8.5	8.0	-0.5% pts	-0.6% pts	8.1	8.1	7.9	-0.2% pts	-0.2% pts
Manufacturing	7.2	7.2	7.1	-0.1% pts	-0.1% pts	7.2	7.0	6.6	-0.4% pts	-0.6% pts
Education & training	5.5	5.7	5.6	-0.1% pts	0.2% pts	5.7	7.2	7.4	0.2% pts	1.7% pts
Agriculture, forestry and fishing	2.0	3.0	2.0	-1.0% pts	0.0% pts	2.7	2.7	2.5	-0.2% pts	-0.2% pts
Mining	1.4	1.6	1.7	0.1% pts	0.3% pts	0.3	0.3	0.3	0.0% pts	0.0% pts
Tourism – Direct	3.1	1.4	2.4	0.9% pts	-0.8% pts	5.4	2.9	4.2	1.2% pts	-1.3% pts
Tourism – Total (direct & indirect)	6.2	2.9	4.8	1.9% pts	-1.4% pts	8.0	4.3	6.5	2.2% pts	-1.5% 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 Account 2022-23, produced by Tourism Research Australia, April 2024.
Research report produced by the Tourism and Events Research Unit, April 2024.

Economic contribution of tourism to Victoria 2022-23

Table 4: Direct tourism filled jobs - 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	23.3	39.3	62.7	28.1%	48.6%
Retail trade	13.3	12.8	26.1	16.0%	15.8%
Accommodation	13.1	8.7	21.8	15.8%	10.8%
Clubs, pubs, taverns and bars	5.7	7.7	13.4	6.9%	9.5%
Other sports and recreation services	4.7	4.6	9.3	5.7%	5.7%
Education and training	4.8	2.7	7.6	5.8%	3.3%
Air, water and other transport	6.6	0.4	7.0	8.0%	0.5%
Travel agency and tour operator services	5.5	1.4	6.8	6.6%	1.7%
Cultural services	1.6	1.7	3.2	1.9%	2.1%
Road transport and transport equipment rental	1.1	0.5	1.6	1.3%	0.6%
Casinos and other gambling services	0.5	0.2	0.7	0.6%	0.2%
All other industries	2.6	0.8	3.5	3.1%	1.0%
Direct tourism employment	82.9	80.8	163.6	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 Account 2022-23, produced by Tourism Research Australia, April 2024.
 Research report produced by the Tourism and Events Research Unit, April 2024.

Economic contribution of tourism to Victoria 2022-23

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 Co-operation and Development (OECD) and the World Tourism Organization (UNWTO).

The TSA includes measures of the economic contribution of tourism to Gross Value Added (GVA), Gross Domestic Product (GDP)/Gross State Product (GSP) and filled jobs. 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 2022-23 State TSA report follows the release of the National TSA for 2022-23 by the ABS and includes back-cast data.

Changes to this issue – data notes

ABS has implemented changes to the methodology of deriving tourism output at basic prices, tourism taxes on products, tourism margins and tourism imports.

As a result, revision to the data at national level has been applied to previous annual coefficient benchmark i.e. 2019-20. These revisions have also reflected changes in State Tourism Satellite Account estimates from 2019-20 to 2021-22 published in the State Tourism Satellite Account, 2021-22 publication.

Since 2021-22, ABS (Australian Bureau of Statistics) has adopted 'tourism filled jobs' as the standard metric for reporting tourism employment. The 2022-23 STSA also uses this metric for the second time.

For more details on changes please refer to the [ABS data](#).

Revisions to the Australian Bureau of Statistics' (ABS) national accounts data have an impact on the STSA. The ABS makes periodical revisions to reflect changes in the economy, in line with international best practice. ABS has embarked upon updating input-output relationships based on the latest available supply-use tables, which in this case refer to year 2020-21 which are reflected in revision of some benchmark ratios and some imputed ratios for the indicators which were not available.

Some unwarranted fluctuations were observed in the previously published 2021-22 and 2020-21 STSA results. Upon investigation it was found that underlying IVS expenditure ratios used in the model were incorrect (deficient) for these two years because of the non-availability of underlying IVS data due to COVID-19 restrictions. To fix this issue, in the current cycle TRA have used IVS expenditure ratios available in the 2019-20 for these two intervening years.

Regional expenditure data from TRA surveys are widely used in deriving proportions for disaggregating National TSA data across jurisdictions and across visitor types. These data are sourced from the International Visitor Survey (IVS) and National Visitor Survey (NVS), year ending June 2023.

For more information, please visit [Tourism Research Australia](#).

To note: the State TSA estimates in this publication are not comparable to previously released estimates. The most recent results should only be compared to the revised time series in this release to ensure like-for-like comparisons.

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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 of 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).

Tourism gross value added (GVA): Considered to be 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.

Filled jobs (employment metric used in current release): Filled jobs refer to all positions of employment that are currently filled (including self-employment). Filled jobs can be measured from either household sources (such as the Labour Force Survey), or business sources (such as the Economic Activity Survey).

Employed person (employment metric used in previous releases up until 2020-21): 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.



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Data limitations

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. 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 designed capabilities. Assumptions underlying the estimates also influence the estimates' quality.

More Information

For more detail on the methodology and results please refer to the full report: State Tourism Satellite Account 2022-23 at [Tourism Research Australia](#)

For more detail on the National Tourism Satellite Account 2022-23, refer to the [Australian Bureau of Statistics](#).

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Department of Jobs, Skills, Industry and Regions
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Further information can be found at [Tourism Research Australia](#)

Data is considered correct at the time of publishing.

Due care is taken in the production of this report, however DJSIR accepts no responsibility for use of this information.

Please contact: research@ecodev.vic.gov.au with any queries.

