

The Economic Contribution of Tourism is a summary of tourism's contribution to the NSW economy. It includes the following data from Tourism Research Australia (TRA) for the Financial Year 2022-23 (Jul 1, 2022 – Jun 30, 2023):

- **State Tourism Satellite Account (STSA)** – details the economic contribution of tourism in terms of Employment, Consumption, Gross Value Added (GVA) and Gross State Product (GSP). These indicators are measured in terms of direct and indirect contribution to the economy, with direct contribution being the key measure.
- **Tourism Businesses in Australia** – focuses on tourism business counts by employment size, industry type, location, and financial performance.

## NOTES

Tourism business count methodology was developed by Tourism Research Australia with data derived from the ABS publication 'Count of Australian Businesses Entries and Exits' (ABS Cat. No. 8165.0).

Totals may not add up by breakdowns due to rounding of the number of businesses undertaken in the confidentiality process by the ABS.

## KEY TERMINOLOGY

**Tourism Consumption** – the total value of tourism goods and services consumed by residents and visitors from overseas in Australia.

**Gross Value Added (GVA)** – total labour income and capital revenue by industry plus net taxes that the government receives from production.

**Gross State Product (GSP)** – the Tourism GVA plus net taxes on products attributable to the tourism industry. As such, it generally has a higher value than tourism GVA. It is the equivalent of Gross Domestic Product (GDP) but at a state level.

**Employed Person** – A person aged 15 years or over who, during the reference week worked for one hour or more 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.

**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. For example, a visitor purchasing a meal in a restaurant.*

**Indirect Contribution of Tourism** – *The subsequent or flow-on effects created by the requirement for inputs from those industries supplying goods and services to tourists. For example, a restaurant purchasing ingredients to make a meal for a paying visitor.*

For more detailed definitions about how the Tourism Satellite Account is modelled, please refer to TRA's website at [www.tra.gov.au](http://www.tra.gov.au).

## KEY RESULTS

The economic contribution of tourism in NSW has recovered from the pandemic in FY2022-23 with expenditure surpassing the pre-COVID level.

The state's economy depends heavily on tourism, which generates billions of dollars of revenue and sustains employment across the state. Tourism filled 292,300 jobs and added \$48.7 billion (Tourism Consumption) to the economy in FY2022-23.

Compared to FY2021-22, NSW had notable growth in both tourism consumption and job creation, rising by 91.1 percent (or \$23.2 billion) and 75.8 percent, respectively.

In 2022-23 tourism made the following contributions to NSW's economy:

### Employment

- Tourism filled 292,300 jobs, of which 172,600 jobs were directly filled and a further 119,700 were filled indirectly.

### Tourism Consumption

- Tourism consumption reached \$48.7 billion. Domestic tourism accounted for \$38.7 billion and international tourism contributed \$9.9 billion.

### Gross Value Added (GVA)

- Tourism's GVA was \$34.3 billion. Direct GVA accounted for \$17.1 billion with indirect GVA accounting for a further \$17.2 billion.

### Gross State Product (GSP)

- Tourism's GSP contribution was \$38.2 billion. The direct GSP contribution was \$18.8 billion with an indirect contribution of \$19.5 billion.

### Tourism Businesses (as of June 2023)

- There were 116,693 businesses involved in tourism in NSW; 66.8 per cent were in Sydney and 33.2 per cent in regional NSW.



## EMPLOYMENT

### NSW Tourism Filled Jobs 2022-23

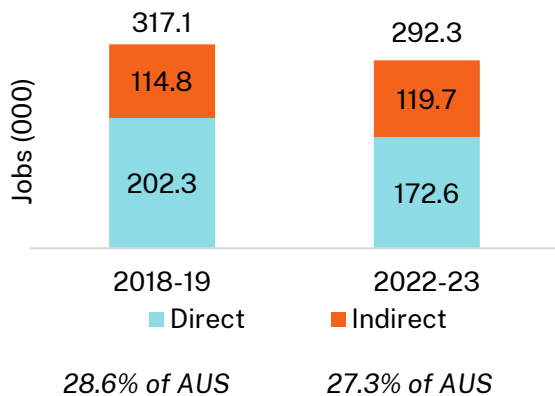
Job Type	Jobs (000s)	Share
Direct	172.6	59.1%
Indirect	119.7	40.9%
<b>Total</b>	<b>292.3</b>	<b>100%</b>

In FY22-23, the total number of tourism filled jobs (both direct and indirect) in NSW was 292,300. Employment increased by 75.8 per cent on the previous year, but was still down 7.8 per cent on FY2018-19.

There were 172,600 direct tourism jobs in NSW, an increase of 62.7 per cent on the previous year, but down 14.7 per cent on FY2018-19.

Indirect tourism added 119,700 jobs, an increase of 98.7 per cent on the previous year and 4.2 per cent on 2018-19.

### Direct and Indirect Contribution of Tourism Filled Jobs in NSW



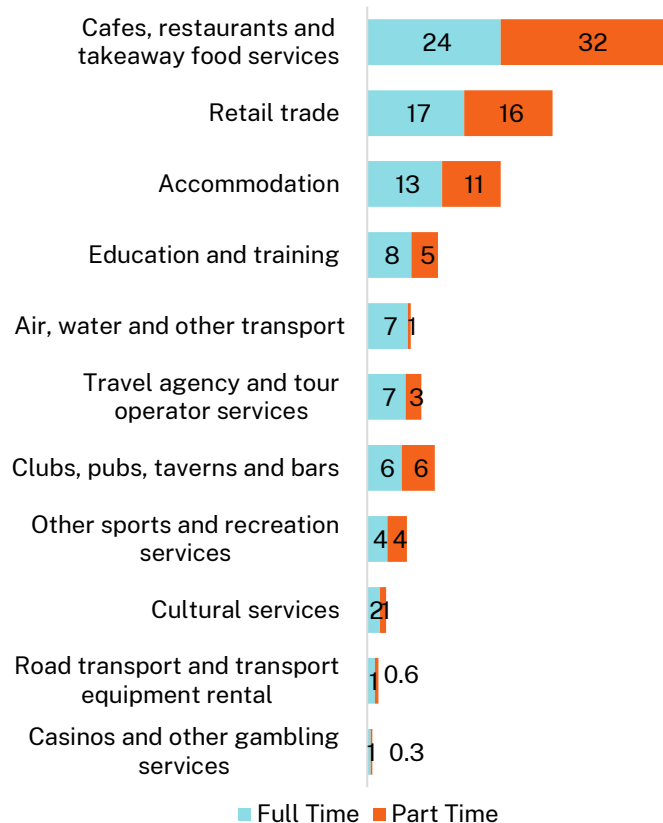
Nationally, NSW had the highest share of direct tourism filled jobs at 27.6 per cent, followed by Victoria (26.1 per cent) and Queensland (23.3 per cent).

### Direct Tourism Filled Jobs by Industry

The largest share of direct tourism employment in NSW comes from the cafés, restaurants, and takeaway food services sector with 56,000 jobs or 32.4 per cent of total state direct tourism employment. Other major contributors to NSW direct tourism filled jobs include the retail trade and accommodation sectors.

Compared to various segments across Australia, NSW's education and training had the largest share (39 per cent) of national direct tourism employment.

### NSW – Direct Tourism Employment (000)



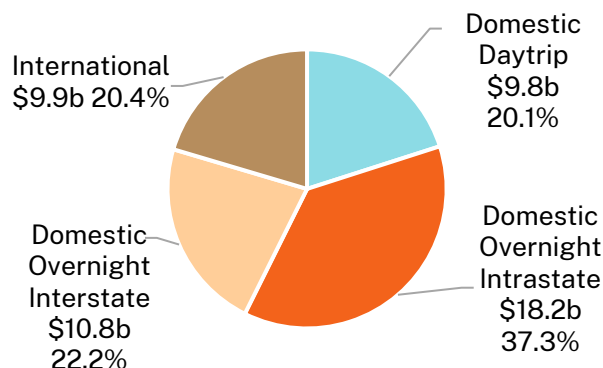
### NSW – Direct Tourism Employment (% Share)

Industry	Share of NSW	Share of Australia
Cafes, restaurants, and takeaway food services	32%	26%
Retail trade	19%	31%
Accommodation	14%	28%
Education and training	7%	39%
Air, water, and other transport	5%	23%
Travel agency and tour operator services	6%	27%
Clubs, pubs, taverns, and bars	7%	26%
Other sports and recreation services	4%	21%
Cultural services	2%	26%
Road transport and transport equipment rental	1%	27%
Casinos and other gambling services	1%	26%



## TOURISM CONSUMPTION

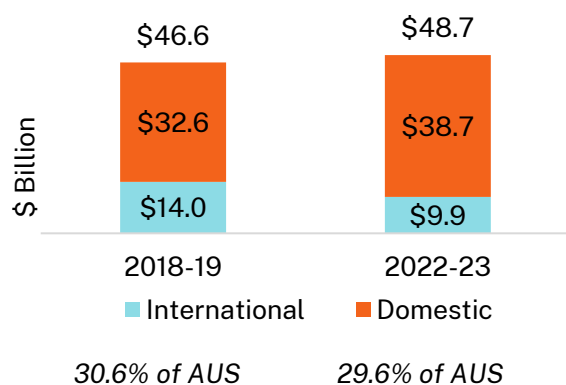
**NSW Tourism Consumption by Visitor Source Market (\$ billion)**



In FY22-23, the tourism consumption in NSW was \$48.7 billion. NSW had the highest share of tourism consumption in Australia at 29.6 per cent, followed by Queensland (24.6 per cent) and Victoria (22.3 per cent).

Domestic overnight intrastate travel accounted for 37.3 per cent of the consumption and was the largest contributor to the state market.

**NSW Tourism Consumption by International and Domestic Visitors**



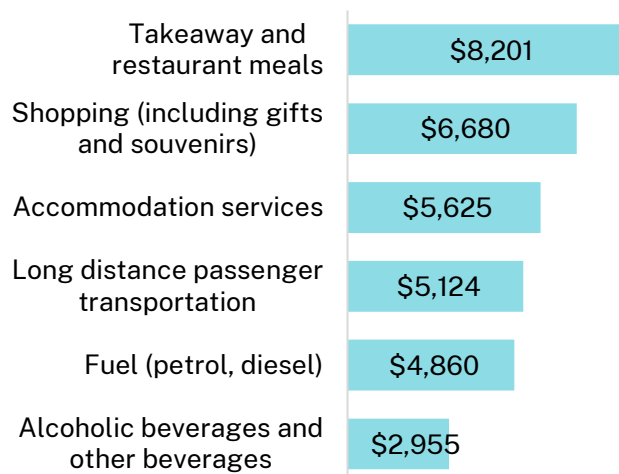
In comparison with FY21-22, NSW saw a 91.1 per cent increase in tourism consumption, in which both domestic and international rose by 67.3 per cent and 331.4 per cent, respectively.

For domestic consumption, the overnight interstate market went up by 14.4 per cent, the overnight intrastate market by 19.3 per cent and the day trip market by 22.6 per cent.

When compared to FY18-19, NSW's tourism consumption grew by 4.5 per cent, which was driven by 18.7 per cent growth in domestic consumption.

When breaking down tourism consumption by product, takeaway and restaurant meals account for the greatest portion at \$8.2 billion or 16.8 per cent share of NSW. Other main contributors include shopping, accommodation services, long distance passenger transportation, fuel, and beverages. Accommodation services and fuel account for the largest share of products consumed in Australia.

**NSW Tourism Consumption by Product (\$ million)**



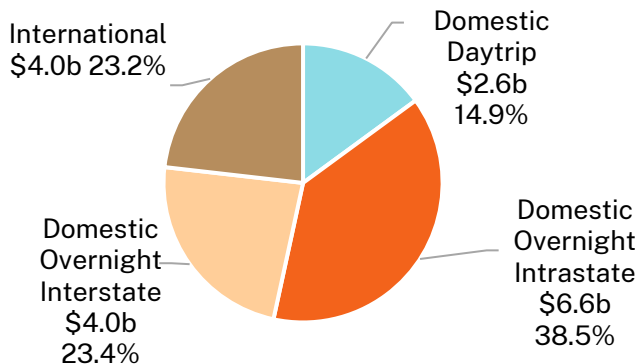
**NSW Tourism Consumption by Product (% Share)**

Product	Share of NSW	Share of Australia
Takeaway and restaurant meals	17%	30%
Shopping (including gifts and souvenirs)	14%	30%
Accommodation services	12%	32%
Long distance passenger transportation	11%	24%
Fuel (petrol, diesel)	10%	31%
Alcoholic beverages and other beverages	6%	30%



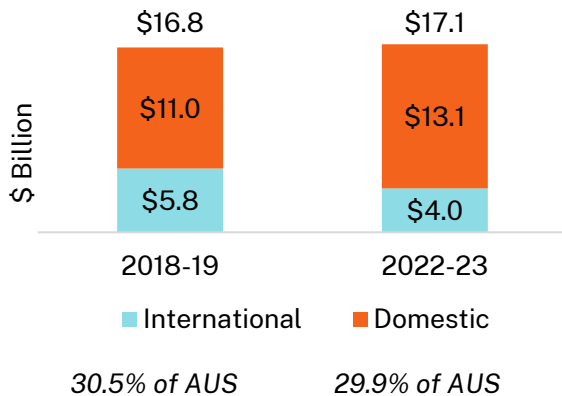
## GROSS VALUE ADDED (GVA)

### NSW Direct Tourism GVA by Visitor Source Markets (\$ billion)



In FY22-23, the total tourism GVA (both direct and indirect) in NSW was \$34.3 billion, representing 29.7 per cent of the national tourism GVA or 4.7 per cent of the state's total GVA. Direct tourism GVA in NSW contributed \$17.1 billion, making it the highest in the country at 29.9 per cent, Queensland and Victoria came in second and third at 24.8 per cent and 22.0 per cent, respectively.

### NSW Direct Tourism GVA by International and Domestic Visitors

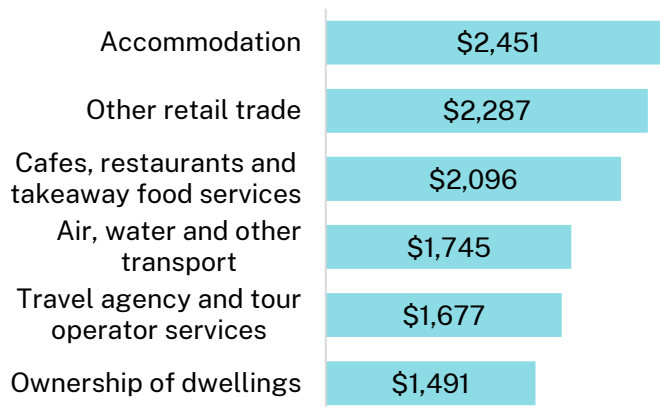


In FY22-23, direct tourism GVA in NSW increased by 92.1 per cent compared to FY21-22, and 1.6 per cent compared to FY18-19. 76.8 per cent of direct tourism GVA came from domestic visitation with the largest portion from the intrastate market.

The accommodation sector accounts for the biggest portion of the state's direct tourism GVA at \$2.5 billion or 14.3 per cent.

The ownership of dwellings in NSW accounts for the biggest share of GVA to Australia as compared to the state's share of the other top five industries to the nation.

### NSW Direct Tourism GVA by Industry (\$ million)



### NSW Direct Tourism GVA by Industry (% Share)

Industry	Share of NSW (%)	Share of Australia (%)
Accommodation	14%	32%
Other retail trade	13%	32%
Cafes, restaurants, and takeaway food services	12%	30%
Air, water, and other transport	10%	24%
Travel agency and tour operator services	10%	27%
Ownership of dwellings	9%	33%

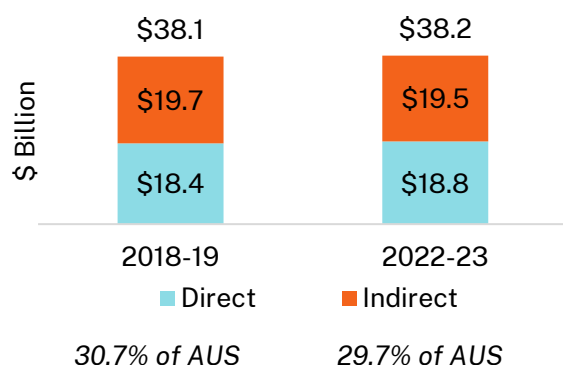


## GROSS STATE PRODUCT (GSP)

In FY2022-23, total tourism contribution to GSP (both direct and indirect) in NSW was \$38.2 billion, representing 29.7 per cent of the national tourism contribution to GSP or 4.9 per cent of the total NSW GSP.

Direct tourism contribution to GSP in NSW was \$18.8 billion, making it the highest in the country at 29.8 per cent, while Queensland (24.8 per cent) and Victoria (22.1 per cent) came in second and third.

### Direct and Indirect Contribution of Tourism to GSP in NSW



In FY22-23, direct tourism GSP in NSW recorded an increase of 94.8 per cent on the previous year and 2.1 per cent on FY18-19.

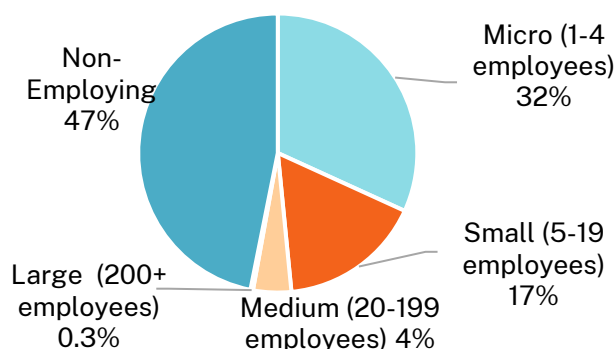


## TOURISM BUSINESSES

As of June 2023, NSW had the highest number of tourism businesses nationally (116,693 businesses or 32.8 per cent), followed by Victoria (30.8 per cent) and Queensland (18.1 per cent).

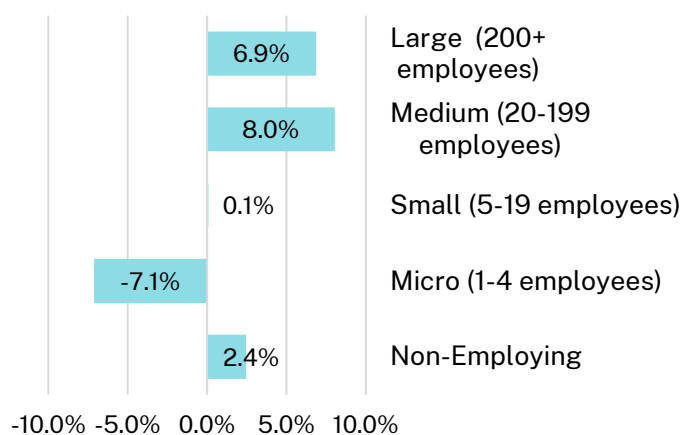
53.1 per cent of NSW tourism businesses were employing businesses and 46.9 per cent were non-employing businesses. The number of employing businesses decreased by 3.8 per cent or 2,425 from the previous year.

### Tourism Businesses by Employment Size (share)



Nearly two-thirds (59.8 per cent) of the employing businesses in NSW were micro businesses, 31.3 per cent were small, 8.3 per cent were medium and 0.6 per cent were large businesses.

### Annual Percentage Change in Businesses by Employment Size



## Tourism Businesses in Sydney and Regional NSW

Two in three tourism businesses were in Sydney. The North Coast had the most tourism businesses in Regional NSW, followed by the Hunter and the South Coast.

	Number of Businesses	Share of NSW Total
Sydney	78,002	66.8%
Regional	38,691	33.2%
<b>Total NSW</b>	<b>116,693</b>	<b>100%</b>

	Number of Businesses	Share of Regional NSW Total
North Coast	8,264	21.4%
Hunter	7,051	18.2%
South Coast	5,634	14.6%
Central Coast	3,667	9.5%
Central NSW	3,145	8.1%
All Other Regions	10,930	28.2%
<b>Total RNSW</b>	<b>38,691</b>	<b>100%</b>

## Tourism Businesses by Industry

Cafes, restaurants, and takeaway food services had the greatest share of tourism businesses in NSW, followed by taxi transport.

Industry	Number of Businesses	Share of NSW Total
Cafes, restaurants, and takeaway food services	28,550	24.5%
Taxi transport	9,866	8.5%
Cultural services	7,583	6.5%
Accommodation	4,873	4.2%
Clubs, pubs, taverns, and bars	3,702	3.2%
Travel agency and tour operator services	3,129	2.7%
<b>Total NSW</b>	<b>116,693</b>	<b>100%</b>

