

ECONOMIC CONTRIBUTION OF TOURISM TO THE NT 2017-18

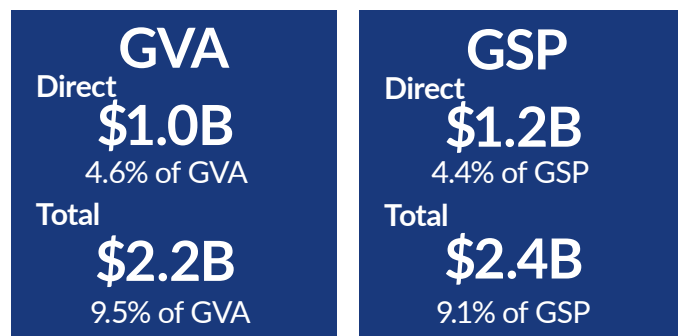
DEPARTMENT OF
TOURISM, SPORT AND CULTURE

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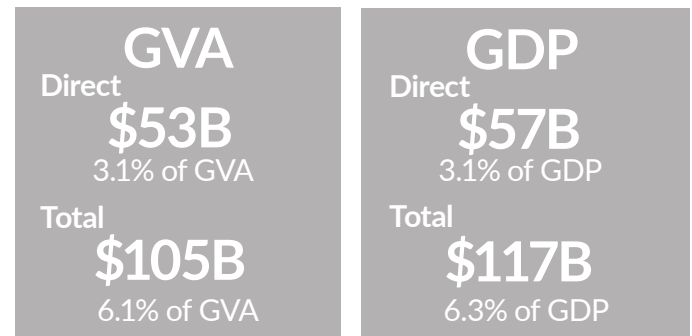
Summary

In 2017-18, total tourism Gross Value Added (GVA) in the NT on average was worth \$2.2 billion, or 9.5% of the region's total GVA. During the same time period, tourism in the NT on average supported a total of 17,100 jobs, or 12.4% of the region's total employment.

Value of Tourism in the NT



Value of Tourism in Australia



Note: GVA = Gross Value Added, GSP = Gross State Product, GDP = Gross Domestic Product

Direct tourism GVA



TOTAL (ALL INDUSTRIES)

\$1.045B

Tourism employment in the NT

Direct jobs

9,700

7.1% of NT employment

Total Jobs supported

17,100

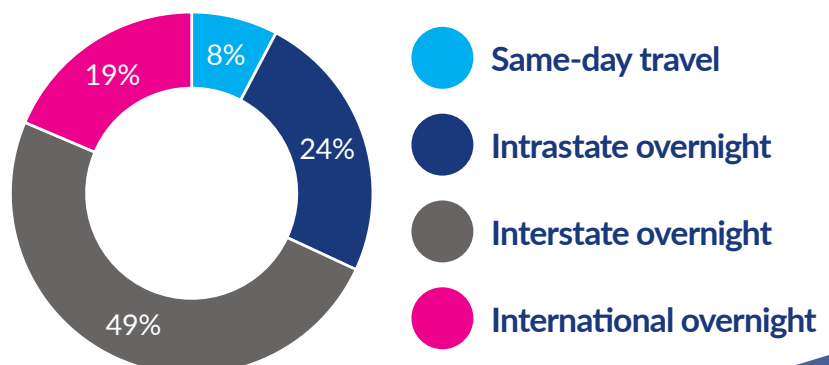
12.4% of NT employment

Tourism consumption in the NT

Total

\$2.649 billion

Share of tourism consumption by visitor type*



*Based on purchaser's prices

Data on factsheet is rounded

Disclaimer: The Department of Tourism, Sport and Culture has taken due care and skill in preparing this information, however does not warrant that it is correct, complete or suitable for the purposes for which it is intended to be used. This factsheet contains a summary of information relevant to the Northern Territory (NT) tourism industry including from Tourism Research Australia's Tourism Satellite Account. The Department disclaims all liability associated with the use of this information. For more information, please contact the Research team on: research.tourismnt@nt.gov.au

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Glossary

What is a 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 (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 a range of industries including accommodation, cafes, restaurants, retail trade and transport.

Basic price: The amount receivable by the producer from the purchaser for a unit of a good or service prior to any additional costs such as net commodity taxes or any margins required to facilitate transfer of the goods and services from the producer to the tourists. These additional costs are paid by consumers but received by other industries (e.g. transport) and government (tax revenue).

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 and indirect tourism employment is measured separately using the TSA framework and Input-Output modelling techniques respectively. Combined they provide an estimate of total tourism employment.

Tourism Gross Domestic Product (GDP): or Tourism Gross State Product (GSP): Tourism GVA plus net taxes on products that are attributable to the tourism industry. As such, it generally has a higher value than tourism GVA. Direct and indirect flow-on GSP are measured separately using the TSA framework and Input-Output modelling techniques, respectively. Combined, they provide an estimate of total tourism GSP.

Tourism Gross Value Added (GVA): 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 receives from the production, and is measured in basic prices. Direct and indirect flow-on GVA are measured separately using the TSA framework and Input-Output modelling techniques, respectively. Combined, they provide an estimate of total tourism GVA.

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, the direct effects of an increase in the number of visitors staying in hotel accommodation are the sales and any associated changes in payments for wages and salaries, taxes and supplies and services. These direct economic impacts are measured according to the TSA framework.

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, in the case of the hotel industry this might include the fresh produce supplied to a hotel and the electricity used. These indirect economic impacts are measured using Input-Output modelling techniques as the TSA framework is not designed to produce such estimates at the state and territory level.

More Information

For more detail on the methodology and results please refer to the full report on Tourism Research Australia's website on the Economic Report page: State Tourism Satellite Accounts 2017-18.