



Australian Government  
Department of Resources, Energy and Tourism

# ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

Australian Government use of inbound  
tourism statistics

## Government use of inbound tourism statistics

Why does the Australian Government use tourism statistics?

Statistics underpin Australian Government activity:

- Policy development
- Market development
- Program management
- Policy and program evaluation
- Bilateral discussions
- Ministerial briefings
- Correspondence - Ministerial and Departmental

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

### Australian Government use of inbound tourism statistics?

Main collections contributing toward inbound tourism policy, investment, and operations include:

- Tourism Research Australia *International Visitor Survey*
- Australian Bureau of Statistics *Overseas Arrivals and Departures*
- Australian Bureau of Statistics *Australian Tourism Satellite Account*
- Australian Bureau of Statistics *Survey of Tourist Accommodation*

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

### Australian Government use of inbound tourism statistics?

Other collections contributing toward inbound tourism policy, investment, and operations include:

- BITRE aviation data
- UNWTO data
- OECD data
- Macroeconomic indicators
- Industry indicators
- Consultants data and modelling

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

### An example from Australia – the impact of marketing

Case study: *The impact of tourism marketing*

- Issue: Due to the market failure, Australian government support is required on a range of issues such as international marketing.
- Issue: The *Tourism White Paper* resulted in the Australian Government investing an additional \$121 billion
- Issue: What return should be expected from this investment.

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

### An example from Australia – the impact of marketing

Identifying and understanding the issue:

- The Australian Government provides a significant investment in international tourism through marketing
- Due to the fragmented nature of Australia's tourism industry, government assistance is required
- For transparency and economic equity, this assistance must be assessed

The Department engaged a third party economic consultant to undertake an assessment of the *Tourism White Paper's* allocation of \$121 billion to international tourism marketing

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

### An example from Australia – the impact of marketing

Setting the task:

Assessment underpinned by computable general equilibrium modeling

- What return does the Government receive from its investment?
- Analysis of investment employed a range of collections
  - Marketing expenditure
  - Arrivals
  - Price
  - Income
- Scenarios developed and purpose-built models
  - Baseline scenario – incorporates the current level of assistance
  - Alternative scenario – assumes that there is no government expenditure on international tourism marketing

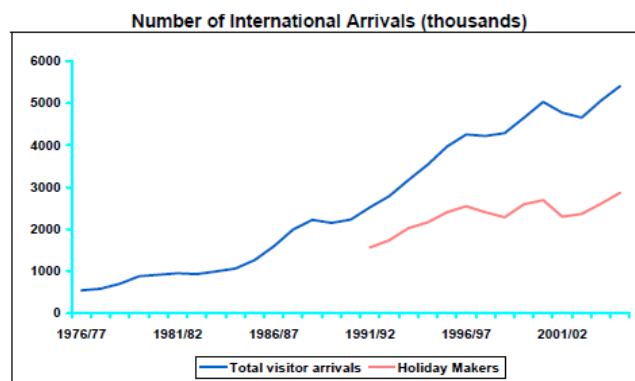
ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

### An example from Australia – the impact of marketing

Australia's inbound tourism sector...

- Strong growth since early eighties
- Around half the market are holiday makers

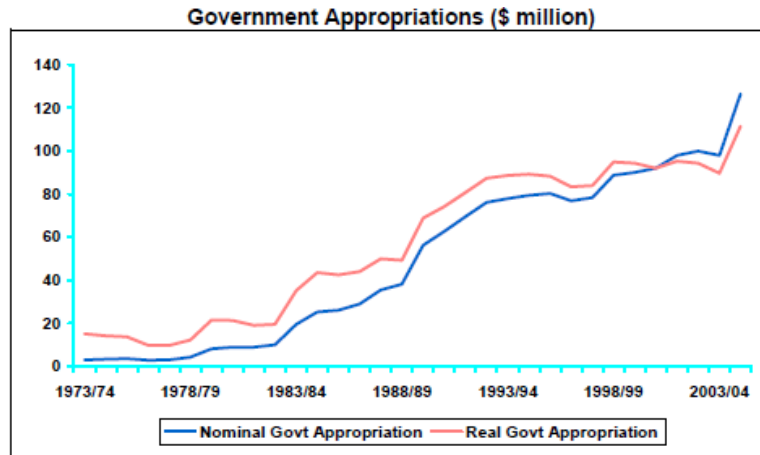


Source: ABS

IC PROSPERITY

## Government use of inbound tourism statistics

An example from Australia – the impact of marketing

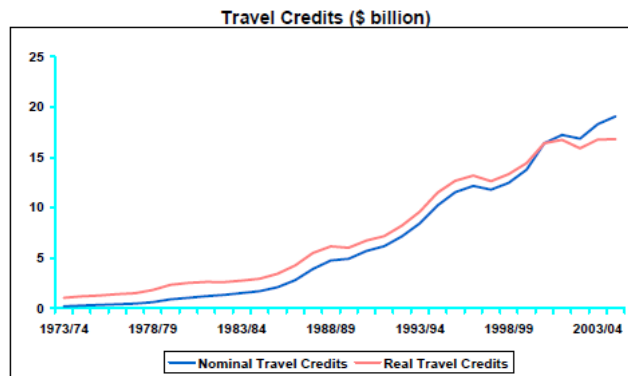


Source: Various annual reports of TA and ATC, and Econtech's estimates

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

An example from Australia – the impact of marketing



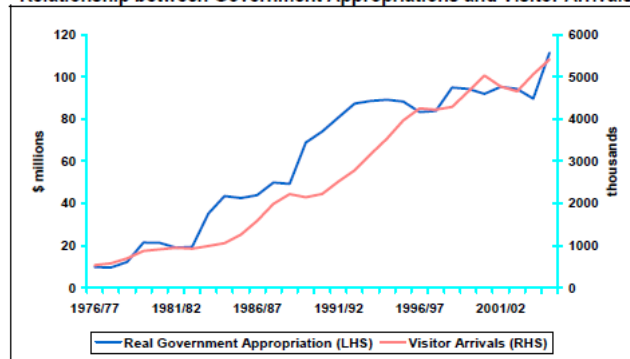
Source: ABS and Econtech's estimates

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

An example from Australia – the impact of marketing

Relationship between Government Appropriations and Visitor Arrivals



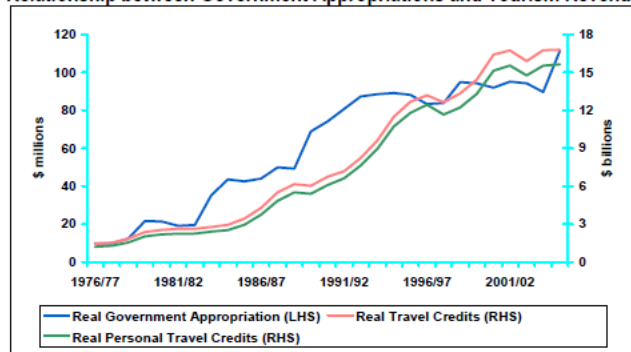
Source: ABS and Econtech's estimates

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

An example from Australia – the impact of marketing

Relationship between Government Appropriations and Tourism Revenue



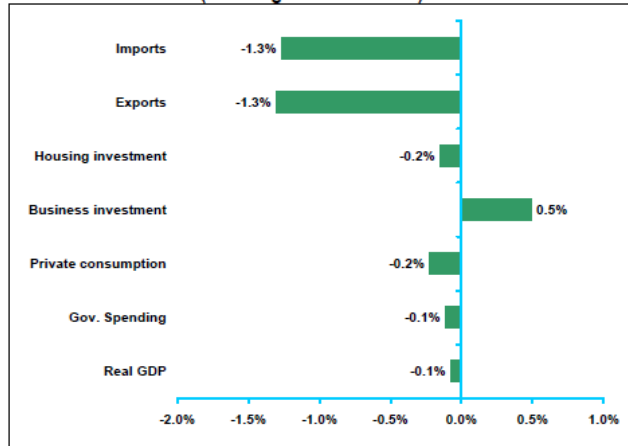
Source: ABS and Econtech's estimates

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

An example from Australia – the impact of marketing

National Macroeconomic Effects: National Accounts  
(% change from baseline)



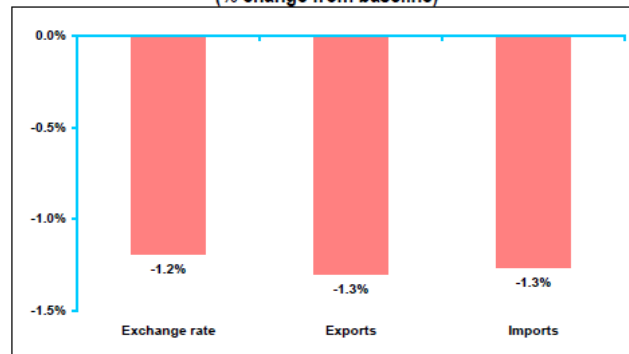
Source: Econtech MM600+ Model

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

An example from Australia – the impact of marketing

External impact: Exports, Imports and Exchange Rate  
(% change from baseline)

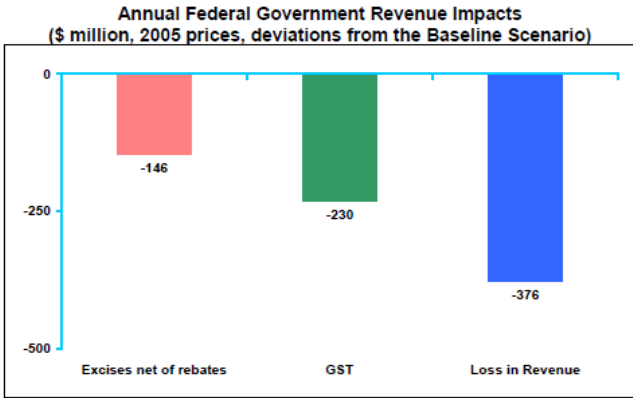


Source: Econtech MM600+ Model

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

# Government use of inbound tourism statistics

An example from Australia – the impact of marketing

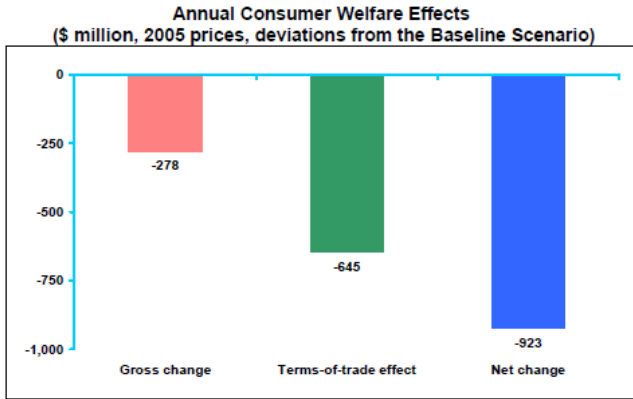


Source: Econtech MM600+ Model

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

# Government use of inbound tourism statistics

An example from Australia – the impact of marketing



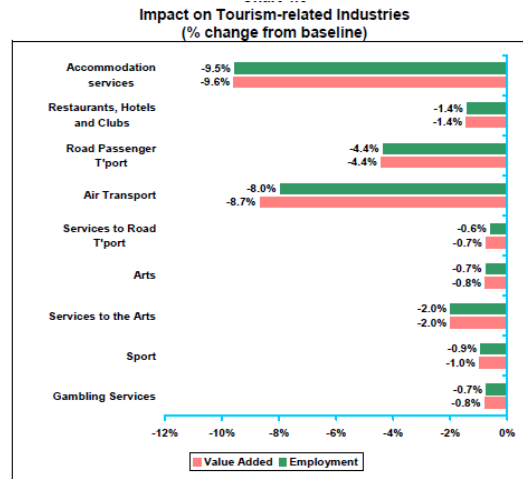
Source: Econtech MM600+ Model

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY



## Government use inbound tourism statistics

An example from Australia – the impact of marketing

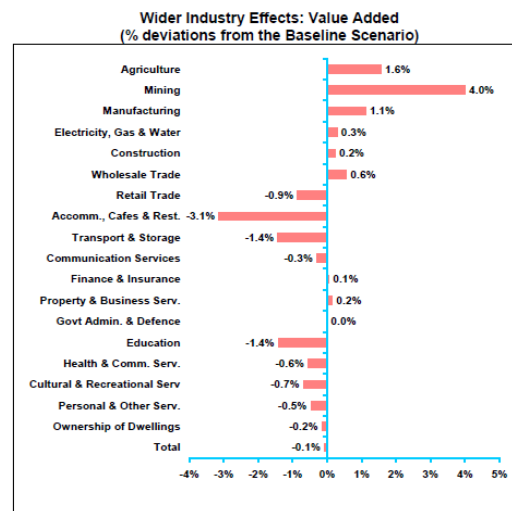


Source: Econtech MM600+ Model

MONOMIC PROSPERITY

## Government use of inbound tourism statistics

An example from Australia – the impact of marketing



Source: Econtech MM600+ Model

MONOMIC PROSPERITY

## Government use of inbound tourism statistics

### An example from Australia – the impact of marketing

This study showed that the wider economy would be worse off without government assistance for tourism marketing:

- GDP would be 0.1% lower
- Employment in major tourism industries such as accommodation and aviation would be almost 10% lower
- Taxation revenue would be almost \$400m lower
- Consumer welfare would be almost \$1bn lower

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY

## Government use of inbound tourism statistics

### An example from Australia – the impact of marketing

This assessment integrated data from a range of collections:

- International trade
- National accounts
- Administrative (immigration data, departmental funding)

ENHANCING AUSTRALIA'S ECONOMIC PROSPERITY