Tourism in Queensland

“Tourism contributes $17 billion to the Queensland economy and is responsible for 220,000 jobs in Queensland.”¹

Employment¹
In 2008-09 tourism was directly responsible for 118,000 jobs and indirectly responsible for an additional 102,000 jobs, or in total 9.9 per cent of Queensland’s workforce. This is substantially more than the mining sector (43,800 direct jobs) or even agriculture, forestry and fishing (81,900 direct jobs).

Cafés, restaurants and takeaway food services had the largest share of tourism employment (25.8 per cent), followed by retail trade (20.8 per cent) and accommodation (15.2 per cent).

Gross state product¹
Tourism contributes $17 billion* to the Queensland economy and accounts for 7.0 per cent of Queensland’s gross state product (GSP).

Tourism businesses in Queensland²
In June 2007, 115,500 tourism-related businesses or 19.7 per cent of all tourism-related businesses in Australia were based in Queensland. The majority of these were small businesses, with 85 per cent employing less than 20 staff.

Exports³
In the year ended June 2011, tourism exports were worth $3.6 billion for Queensland.

Challenges
In 2010-11 the Queensland tourism industry faced some major challenges including widespread flooding, cyclones in the north, the high Australian dollar and a softening in outbound travel from key western source markets such as the United Kingdom.

Visitors³,⁴
In the year ended June 2011, domestic overnight visitors to Queensland totalled 16 million; domestic day visitors totalled 34 million and international visitors 2 million.

Visitor Expenditure³,⁴
In a year of great challenges, being able to contain the decline in overall visitor expenditure to only 4.7 per cent has been a significant achievement.

Domestic overnight visitor expenditure
Queensland experienced a 4.1 per cent decline in domestic overnight visitor expenditure in the year ended June 2011.

Queensland’s decline in domestic overnight visitor expenditure was driven by a number of factors, including:
• major weather events – flooding across much of the state and cyclones in northern Queensland restricted intrastate travel across the state;
• declines in interstate holiday travel from the key source markets of Sydney and Melbourne – a trend also evident at a national level; and
• weak consumer confidence causing consumers to be cautious with their discretionary expenditure, particularly for holiday travel.

International visitor expenditure
Queensland experienced a 6 per cent decline in international visitor expenditure in the year ended June 2011.

Queensland’s decline in international visitor expenditure was also driven by a number of factors, including:
• natural disasters in New Zealand and Japan; and
• the ongoing economic instability across much of the western world.

Such conditions have contributed to a downturn in the youth market (aged under 30 years), particularly from the United Kingdom.

Despite declines across some major source markets, Queensland has seen significant increases in visitor expenditure from China and other Asian markets, including Korea and Singapore.

Domestic day visitor expenditure
Queensland experienced a 5.4 per cent decline in domestic day visitor expenditure in the year ended June 2011.

The number of day trips taken to or within Queensland increased slightly over the year ended June 2011, however, in keeping with the current budget conscious mindset of consumers, visitor expenditure declined by 5.4 per cent.

¹Tourism Research Australia, Tourism Satellite Accounts 2008-09: Summary Spreadsheets
²Tourism Research Australia, Tourism Businesses in Australia, June 2007
³Tourism Research Australia, International Visitor Survey, year ended June 2011
⁴Tourism Research Australia, National Visitor Survey, year ended June 2011

*Tourism contributes $7.8 billion directly and $9.2 billion indirectly to the Queensland economy.
Visitor Expenditure

Total expenditure by visitors to Queensland

$18.1 billion

-4.7% compared with year ended June 2010

Total expenditure in Queensland
(Source: Tourism Research Australia, National and International Visitor Surveys, year ended June 2011)

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<thead>
<tr>
<th>Category</th>
<th>Expenditure</th>
<th>Change</th>
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</thead>
<tbody>
<tr>
<td>Domestic overnight visitors</td>
<td>$11.1 billion</td>
<td>-4.1% compared with year ended June 2010</td>
</tr>
<tr>
<td>International visitors</td>
<td>$4.6 billion</td>
<td>-6.0% compared with year ended June 2010</td>
</tr>
<tr>
<td>Domestic day trip visitors</td>
<td>$2.4 billion</td>
<td>-5.4% compared with year ended June 2010</td>
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Accommodation

Queensland accommodation establishments had 14.1 million room nights occupied (including hotels, motels, serviced apartments) in the year ended March 2011, a one per cent decline on the previous year.

Average Room Occupancy Rates – Total Establishments
(Source: Survey of Tourist Accommodation, year ended March 2011)

Expenditure shown comprises spend by all visitors to Queensland, including those visiting for the purposes of holiday or leisure, visiting friends and relatives, business and other purposes.

Australian Bureau of Statistics, Survey of Tourist Accommodation, year ended March 2011
Domestic visitors
There were 16.4 million domestic overnight visitors to Queensland in the year ended June 2011, representing 23.8 per cent of all domestic visitors in Australia.

Domestic visitors stayed 68 million nights in Queensland (down 3 per cent from the year ended June 2010), including 34 million interstate visitor nights (up 2 per cent) and 34 million intrastate visitor nights (down 8 per cent). The number of visitor nights spent in Queensland represented 26.3 per cent of all domestic visitor nights spent in Australia.

International visitors
In the year ended June 2011, Queensland welcomed 2 million international visitors to the state, representing 37 per cent of all international visitors to Australia.

New Zealand was the largest market (404,000 visitors), accounting for 20 per cent of all international visitors to Queensland. Other significant markets included the United Kingdom (11 per cent), China (10 per cent), Japan (10 per cent) and the United States of America (8 per cent).

International visitors stayed 39.6 million nights in Queensland in the year ended June 2011 (up 2 per cent on the previous year), which equates to 21 per cent of the total international visitor nights spent in Australia.
Outlook for 2011-12

According to the Tourism Forecasting Committee “Forecast” Issue 1, many established economies in the western world are seeing only a slow recovery from the global financial crisis (GFC) while emerging economies are continuing to expand at a much faster rate.

The Tourism Forecasting Committee estimates a 3.1 per cent increase in international arrivals in 2011. The forecast for 2011 was revised down from the previous 5.6 per cent to allow for the slow recovery from the GFC in many western economies, political unrest in the Middle East, the rapid increases in oil prices and the recent natural disasters in Japan and New Zealand.

Cyclones in northern Queensland and flooding in many parts of Australia are expected to contribute to a marginal decline in domestic visitor nights in 2011. Although, in the medium term to 2020, domestic visitor nights are likely to remain relatively stable with a slow recovery expected.

Domestic travel is not helped by the ongoing growth in outbound travel, fuelled by growing international air capacity and associated affordable international airfares. Favourable exchange rates also contribute to the sustained strong growth in the number of Australians travelling outbound.

(Source: Tourism Forecasting Committee, Forecast 2011, Issue 1)