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TOURISM  
RESEARCH  
AUSTRALIA

TOURISM  
BUSINESSES  
IN AUSTRALIA

June 2011 to June 2015

A photograph of a tourist guide, an older man with white hair, pointing towards a large rock formation with a waterfall. Two tourists, a woman and a man, are looking up at the rock formation. The scene is lush with greenery and palm trees.

TOURISM  
BUSINESSES  
IN AUSTRALIA

## ACKNOWLEDGMENTS

*Tourism Businesses in Australia, June 2011 to June 2015* is the fourth report in a series that estimates the number of businesses in the Australian tourism industry. The methodology was developed by Tourism Research Australia with data derived from ABS' publication 'Count of Australian Businesses Entries and Exits' (ABS Cat. No. 8165.0).

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Publication date: July 2016

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Cover image: Guided walk, Moss Garden, Carnarvon Gorge National Park, QLD, Image courtesy of Tourism Australia/ Amber Toms.

## CONTENTS

1. INTRODUCTION .....	1
2. KEY FINDINGS .....	3
3. AUSTRALIA'S BUSINESSES (TOURISM & NON-TOURISM) .....	4
4. STATE AND TERRITORY TOURISM BUSINESSES .....	5
5. THE INDUSTRIES THAT MAKE UP TOURISM .....	9
6. HOW ARE TOURISM BUSINESSES PERFORMING? .....	11
7. CONCLUSION .....	12
8. METHODOLOGY .....	13
9. REFERENCES .....	14



## TABLES

TABLE 1: TOTAL CHANGE IN TOURISM BUSINESS COUNTS, JUNE 2015 ON JUNE 2011 .....	4
TABLE 2: INDUSTRIES WITH THE MOST TOURISM BUSINESSES .....	9
TABLE 3: BUSINESS COUNTS BY EMPLOYMENT SIZE IN TOURISM INDUSTRIES, JUNE 2015.....	10

## FIGURES

FIGURE 1: TOURISM AND NON-TOURISM BUSINESSES BY SIZE, CHANGE JUNE 2015 COMPARED TO JUNE 2011 .....	4
FIGURE 2: TOURISM BUSINESSES BY STATE AND TERRITORY, JUNE 2015.....	5
FIGURE 3: PERCENTAGE CHANGE IN TOURISM BUSINESSES BY STATE AND TERRITORY, JUNE 2015 COMPARED TO JUNE 2011 .....	6
FIGURE 4: STATE-WIDE DISTRIBUTION OF VISITORS AND TOURISM BUSINESSES INCLUDING AVERAGE SPEND PER VISITOR, 2014–15 .....	8
FIGURE 5: PERCENTAGE SHARE OF BUSINESSES AND GROSS REVENUE BY SIZE, 2014–15 .....	11

# 1. INTRODUCTION

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This report examines the stability and health of Australia's tourism industry through changes in the number of businesses within the industry. It also includes business counts by:

- employment size
  - ▶ small – includes non-employing (or self-employed), micro (1 to 4 employees), and small (5 to 19 employees)
  - ▶ medium (employing 20 to 199 persons)
  - ▶ large (employing 200 or more persons)
- industry type
- location (state, territory and tourism region)
- financial performance.

The stock of all actively trading businesses in Australia is reported, from June 2011 through to June 2015. Business counts are sourced and derived from the Australian Bureau of Statistics' (ABS) Business Register (ABSBR) (unpublished data) (ABS 2016a). The ABS also releases the publication *Counts of Australian Businesses, including Entries and Exits, June 2011 to June 2015* (ABS Cat. No. 8165.0).



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## TOURISM BUSINESSES IN AUSTRALIA: JUNE 2015

**273,512**  
TOURISM BUSINESSES IN AUSTRALIA



OF THE TOTAL  
**2.1 MILLION**  
BUSINESSES IN  
AUSTRALIA



### DISTRIBUTION OF TOURISM BUSINESSES

■ REGIONAL ■ CAPITAL CITIES



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## 2. KEY FINDINGS

### AUSTRALIA'S TOURISM BUSINESSES

- Tourism businesses made up 13 per cent (around 273,500) of the total 2.1 million businesses in Australia in June 2015. Around 95 per cent of these businesses were non-employing, micro (1 to 4 employees), or small (5 to 19 employees) businesses.
- Tourism ranks second among all industries in Australia in terms of number of businesses – the *Construction services* industry comes in first, holding 16 per cent of total businesses in Australia.
- Despite only holding around a 5.0 per cent share of total tourism businesses, Australia's medium and large businesses contributed two-thirds (66 per cent) of total tourism revenue in Australia during 2014–15.

Between 2010–11 and 2014–15, visitor nights and visitor spending in Australia grew by an average annual rate of 3.8 per cent and 4.1 per cent, respectively.

### BUSINESS NUMBERS

- With the exit rate of non-employing and micro businesses (-6.2 per cent) exceeding the entry rate of new businesses (+4.6 per cent) in June 2015 compared to June 2011, there has been a net reduction in the number of businesses operating in the industry.
- Compared to June 2011, the number of tourism businesses in June 2015 declined by around 11,000 (or 3.8 per cent). This decline represented the majority (96 per cent) of the total decline in businesses generally in Australia over the same period.
- The decline in tourism businesses was mainly influenced by falling numbers in:
  - ▶ non-employing and micro (employing 0 to 4 persons) businesses between June 2011 and June 2013 (down 6.6 per cent)
  - ▶ non-employing businesses between June 2013 and June 2015 (down 1.3 per cent).
- However, the decrease in the number of non-employing businesses has been offset by a gradual increase in the number of employing businesses. This was due to strong growth in visitor nights and spending which motivated tourism businesses to take on more employees.

### BUSINESS DISTRIBUTION

- In June 2015, the majority (80 per cent) of tourism businesses in Australia were located in three states: New South Wales, Victoria and Queensland. The contribution of these states to Australian Tourism Gross Domestic Product (GDP) was 78 per cent in 2013–14.
- Despite two-thirds of total tourism businesses being located in capital cities, 45 cents in every visitor dollar was spent in regional areas. This is due to a larger volume of visitors in regional areas (especially domestic day and domestic overnight visitors), and means that the smaller proportion (34 per cent) of total businesses that are located in regional areas hold a larger proportion of total visitor spending. However, average visitor spend (for both international and domestic visitors) is higher in capital city tourism regions for most states and territories.

### RECENT STRUCTURAL CHANGES TO TOURISM BUSINESSES

The tourism industry is transitioning through a process of structural consolidation, especially over the last two years. During 2013–14 and 2014–15, around 1,500 non-employing businesses exited the industry. At the same time, around 3,800 micro, small, medium and large businesses entered the industry resulting in a net gain of around 2,300 businesses. This repositioning of tourism businesses coincides with additional visitor expenditure in Australia of around \$4.9 billion in 2014–15 (up 4.3 per cent) compared to 2013–14.



Image: NOOSA International Food & Wine Festival 2013  
Image courtesy of John Montesi and Tourism Australia

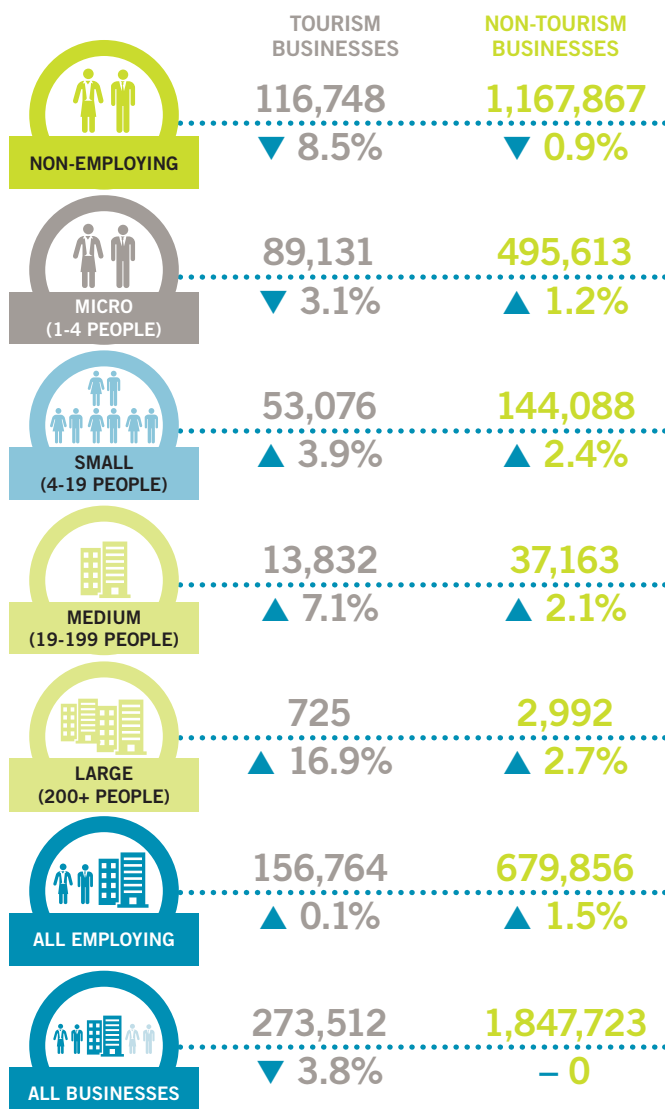
### 3. AUSTRALIA'S BUSINESSES (TOURISM & NON-TOURISM)

At June 2015, there were around 273,500 tourism businesses operating in Australia. Of these, 57 per cent (or 156,800 businesses) were employing businesses, and 43 per cent (or 116,700 businesses) were non-employing businesses.

For the same period, tourism businesses were more likely than non-tourism businesses to employ staff (57 per cent compared to 37 per cent, respectively), which reflects the labour intensive nature of the tourism industry (Figure 1).

The changing patterns within the tourism industry reflects some movement away from non-employing tourism businesses, towards employing tourism businesses (Figure 1). This process is an indicator of improving business conditions.

**FIGURE 1: TOURISM AND NON-TOURISM BUSINESSES BY SIZE, CHANGE JUNE 2015 COMPARED TO JUNE 2011**



Source: Derived using ABS Business Register (unpublished) data (ABS Cat. No. 8165.0).

Note: Tourism businesses in this table are unconfidentialised estimates obtained from the ABS.

Between June 2011 and June 2015, there was a reduction in the number of trading businesses nationally (Table 1).

The declines were particularly significant for tourism businesses, driven mainly by non-employing and micro businesses:

- Around 10,800 of the tourism businesses leaving the industry were non-employing, while around 2,900 were micro businesses.
- However, the decline in micro businesses was fully offset by increases in the number of small, medium and large tourism businesses.
- There was a total loss of around 10,700 tourism businesses between June 2011 and June 2015, which represented around 96 per cent of the total decline in all Australian businesses.

Declines, however, were less severe for non-tourism businesses:

- All of the non-tourism businesses that left the industry (around 10,600) were non-employing businesses, largely offset by an increase in employing businesses (around 10,100).
- There was a total loss of around 500 non-tourism businesses between June 2011 and June 2015.

**TABLE 1: TOTAL CHANGE IN TOURISM BUSINESS COUNTS, JUNE 2015 ON JUNE 2011**

	Tourism businesses	Non-tourism businesses
<b>Non-employing businesses</b>		
	▼ 10,826	▼ 10,582
<b>Employing businesses</b>		
Micro	▼ 2,868	▲ 5,871
Small	▲ 1,974	▲ 3,378
Medium	▲ 915	▲ 778
Large	▲ 105	▲ 78
<b>Total employing</b>	▲ 126	▲ 10,105
<b>Total</b>		
	▼ 10,700	▼ 477

Source: Derived by TRA using ABS Business Register (unpublished) data (ABS Cat. No. 8165.0).



## 4. STATE AND TERRITORY TOURISM BUSINESSES

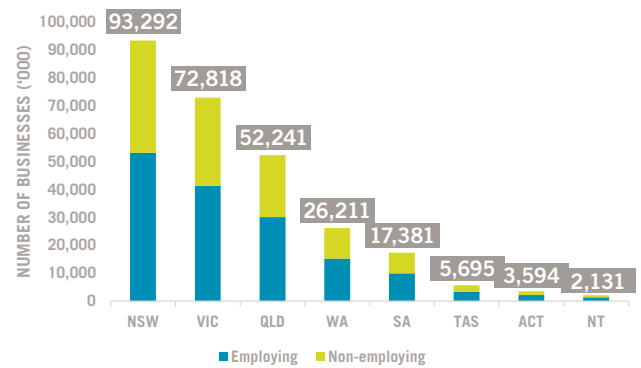
In June 2015, tourism businesses at state and territory level were distributed as follows:

- Around 80 per cent of total tourism businesses in Australia were located in New South Wales (34 per cent, or 93,300 businesses); Victoria (27 per cent, or 72,800 businesses); and Queensland (19.1 per cent, or 52,200 businesses).
- Western Australia and South Australia shared 15.9 per cent of total tourism businesses – Western Australia, 9.6 per cent (26,200 businesses); and South Australia, 6.4 per cent (17,400 businesses).
- The remaining 4.2 per cent of total tourism businesses were represented by Tasmania, 2.1 per cent (5,700 businesses); the Australian Capital Territory, 1.3 per cent (3,600 businesses); and the Northern Territory, 0.8 per cent (2,100 businesses).

More than half of tourism businesses in each state and territory were employing businesses (Figure 2).

- The largest proportion of employing businesses was in the Northern Territory (64 per cent of total tourism businesses).
- The lowest proportion of employing businesses was in New South Wales, Victoria and South Australia (57 per cent each).

FIGURE 2: TOURISM BUSINESSES BY STATE AND TERRITORY, JUNE 2015



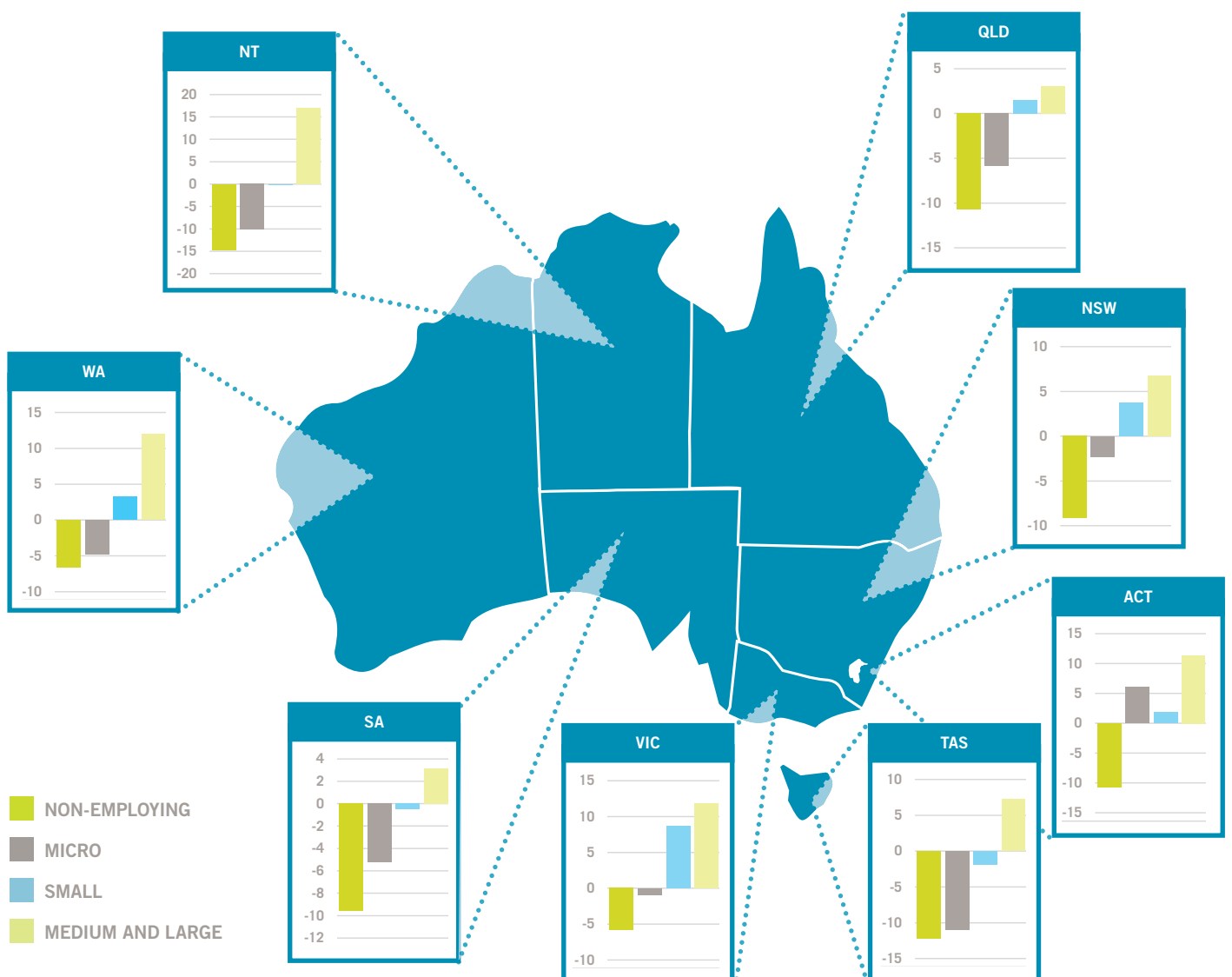
Source: Derived by TRA using ABS Business Register (unpublished) data (ABS Cat. No. 8165.0).



Non-employed and micro businesses are generally the first to react to changes in economic conditions, simply due to their size and basic management structures. A downturn in economic conditions can lead to restructure or even business closure, as these entities do not have the ability to restructure according to the changes in demand and supply forces.

When economic conditions improve, however, these businesses tend to take on more employees and consequently become larger entities. All states/territories – except the ACT – reported declines in tourism businesses across both non-employed and micro categories, while in the ACT, growth occurred in all categories of employing businesses (Figure 3).

**FIGURE 3: PERCENTAGE CHANGE IN TOURISM BUSINESSES BY STATE AND TERRITORY, JUNE 2015 COMPARED TO JUNE 2011**



Source: Derived by TRA using ABS Business Register (unpublished) data (ABS Cat. No. 8165.0).

Most tourism businesses (66 per cent, or approximately 181,500 businesses) were located in capital cities and the Gold Coast, with the following states having the highest capital city concentration:

- Western Australia – 80 per cent of tourism businesses were located in Perth
- Victoria – 68 per cent were located in Melbourne
- South Australia – 67 per cent were located in Adelaide.

Tasmania was the only state where more than half (52 per cent) of total tourism businesses were located in regional areas.

Tourism is a demand-driven industry, defined by the nature of the products that visitors consume during their trip to a destination. However, non-visitors (e.g. residents) also consume the same tourism products. This means that a tourism business is more likely to benefit from a location that is shared by both visitors and non-visitors (resident population). This is quite clear from the results presented in Figure 4.

Despite the fact that around two-thirds of total tourism businesses were located in capital cities (except for Tasmania), a significant percentage of total day visitors (61 per cent) and total overnight visitors (64 per cent) travelled to regional areas in 2014–15. The higher volume of visitors to regional areas led to a higher spend per tourism business than in capital city tourism regions. However, average spend per international and domestic visitor was higher in capital city tourism regions than in regional areas for most states and territories:






















































































- Average spend per visitor was around 66 per cent and 38 per cent higher in capital cities than in regional areas for both domestic overnight travellers and international visitors, respectively.

- Average spend per international visitor ranged from 3.9 per cent higher in Hobart and the South region to 149 per cent in Adelaide tourism region when compared to their respective regional areas.
- Similar to international visitor spend, average spend per overnight visitor in all capital city tourism regions (except for Queensland) was also much higher than their respective regional areas, ranging from as low as 18 per cent in Hobart and the Southern region to as high as 123 per cent in Melbourne tourism region.
- However, there were some exceptions to the usual pattern of higher average spend in capital city tourism regions and tourism business concentration. For example, in Queensland and the Northern Territory, average spend per international visitor was lower in the capital cities than in regional areas by 2.6 per cent and 7.0 per cent, respectively.
- Another exception was Tasmania, where average spend per international and overnight visitor was higher in capital city tourism regions, but less than half (48 per cent) of total tourism businesses were located in the capital city tourism region.



Image: True North, The Kimberley, WA  
Image courtesy of Tourism Australia

FIGURE 4: STATE-WIDE DISTRIBUTION OF VISITORS AND TOURISM BUSINESSES INCLUDING AVERAGE SPEND PER VISITOR, 2014-15

		 TOURISM BUSINESSES SHARE %	 DAY VISITORS		 OVERNIGHT		 INTERNATIONAL	
			Visitor share (%)	Average expenditure per visitor	Visitor share (%)	Average expenditure per visitor	Visitor share (%)	Average expenditure per visitor
 NSW	Capital city			\$104		\$712		\$2,170
	Regional area			\$117		\$497		\$1,166
 VIC	Capital city			\$113		\$828		\$2,412
	Regional area			\$96		\$372		\$1,005
 QLD	Capital city			\$96		\$713		\$1,493
	Regional area			\$37		\$676		\$1,532
 SA	Capital city			\$112		\$817		\$1,920
	Regional area			\$96		\$427		\$770
 WA	Capital city			\$101		\$865		\$2,489
	Regional area			\$122		\$693		\$1,442
 TAS	Capital city			\$100		\$804		\$1,120
	Regional area			\$115		\$682		\$1,078
 NT	Capital city			\$163		\$1,449		\$1,239
	Regional area			\$142		\$944		\$1,333
 ACT	Capital city			\$176		\$594		\$2,017
	Regional area			-		-		-
 AUS	Capital city			\$108		\$777		\$2,981
	Regional area			\$108		\$563		\$1,792

 CAPITAL CITY  
 REGIONAL AREA

Note: Pie charts denote share of visitors who visit capital and regional areas.



## 5. THE INDUSTRIES THAT MAKE UP TOURISM

As stated previously, tourism is an industry defined by consumption, and a number of different businesses in different industry sectors make up the tourism 'industry'. The largest number of tourism businesses were found in the following industry sectors:

**TABLE 2: INDUSTRIES WITH THE MOST TOURISM BUSINESSES**

INDUSTRY	NO. OF BUSINESSES	SHARE OF SMALL BUSINESSES (%) EMPLOYING 0 - 19 PERSONS
Other retail trade	128,300	96
Cafés, restaurants and takeaway food services	65,500	93
Arts and recreation services (Cultural services, Casinos and other gambling services and Other sports and recreation services)	26,100	97
Taxi transport	16,000	99
Accommodation	13,000	92

Further, Table 3 compares the level of employment in tourism businesses by industry, which highlights the importance of each of the industries that make up tourism.

During the four-year period (June 2011 to June 2015), tourism businesses showed a structural shift away from non-employing and micro businesses towards employing small, medium and large businesses.

This shift was well supported by solid growth in visitor consumption expenditure, where in June 2015, visitors spent (consumption expenditure) \$121 billion. This was 18 per cent higher than in June 2011. The industries driving this change were mainly:

- *Taxi transport* – down 13% overall<sup>1</sup>, medium businesses increased by 56%.
- *Cultural services* – down 11% overall, medium and large businesses increased by 18% and 25%, respectively.
- *Air, water and other transport* – down 9.2% overall, large businesses increased by 23%.
- *Other retail trade* – down 8.6% overall, medium and large businesses increased by 3.7% and 9.8%, respectively.
- *Accommodation* – down 4.1% overall, small (employing 0 to

19 persons) and large businesses increased by 7.8% and 15%, respectively.

During the same period, in some of the tourism-related industries strong growth in businesses occurred in all or most employment categories, namely:

- *Cafes, restaurants and takeaway food services industry* – all business sizes increased leading to overall growth of 10% in the total number of businesses.
- *Automotive fuel retailing* – all business sizes increased, with overall growth of 4.9%.
- *Travel agency and tour operator services* - non-employing, micro and medium-sized business numbers increased, with overall growth of 4.2%.
- *Motor vehicle hiring* – non-employing, micro and medium-sized businesses increased, with overall growth of 4.0%.
- *Other sports and recreation services* – all employing businesses increased, with overall growth of 2.9%.

<sup>1</sup> Taxi transport industry is also affected by the rise of shared transport services like Uber which may have been partly responsible for the decline in small businesses in this sector.

**TABLE 3: BUSINESS COUNTS BY EMPLOYMENT SIZE IN TOURISM-RELATED INDUSTRY SECTORS, JUNE 2015**

	Non-employing businesses	Employing businesses					Total businesses	Total change on June 2011 (%)
		Micro	Small	Medium	Large	Total employing		
							'000	%
Accommodation	5.9	3.2	2.9	0.9	0.1	7.0	13.0	▼ 4.1
Cafés, restaurants and takeaway food services	15.7	26.6	18.8	4.2	0.2	49.8	65.5	▲ 9.9
Clubs, pubs, taverns and bars	2.1	1.9	3.1	1.9	0.1	7.0	9.1	▼ 0.1
Rail transport	0.0	0.0	0.0	0.0	0.0	0.0	0.0	▲ 0.0
Taxi transport	14.8	1.0	0.2	0.1	0.0	1.2	16.0	▼ 12.7 <sup>2</sup>
Air, water and other transport	4.7	1.9	0.7	0.3	0.1	3.0	7.7	▼ 9.6
Motor vehicle hiring	1.0	0.3	0.1	0.0	0.0	0.5	1.5	▲ 4.0
Travel agency and tour operator services	2.3	2.2	0.8	0.2	0.0	3.1	5.4	▲ 4.2
Cultural services	11.2	2.2	0.4	0.2	0.0	2.7	14.0	▼ 11.3
Casinos and other gambling services	0.5	0.7	0.2	0.0	0.0	0.9	1.4	▼ 8.6
Other sports and recreation services	5.1	3.4	1.7	0.6	0.0	5.7	10.8	▲ 2.9
Automotive fuel retailing	1.1	1.5	1.3	0.2	0.0	3.0	4.1	▲ 4.9
Other retail trade	54.2	45.2	23.3	5.3	0.3	74.1	128.3	▼ 8.6
<b>Total tourism industries</b>	<b>118.7</b>	<b>90.0</b>	<b>53.4</b>	<b>14.0</b>	<b>0.8</b>	<b>158.1</b>	<b>273.5</b>	<b>▼ 3.8</b>

Source: Derived by TRA using ABS Business Register (unpublished) data (ABS Cat. No. 8165.0).

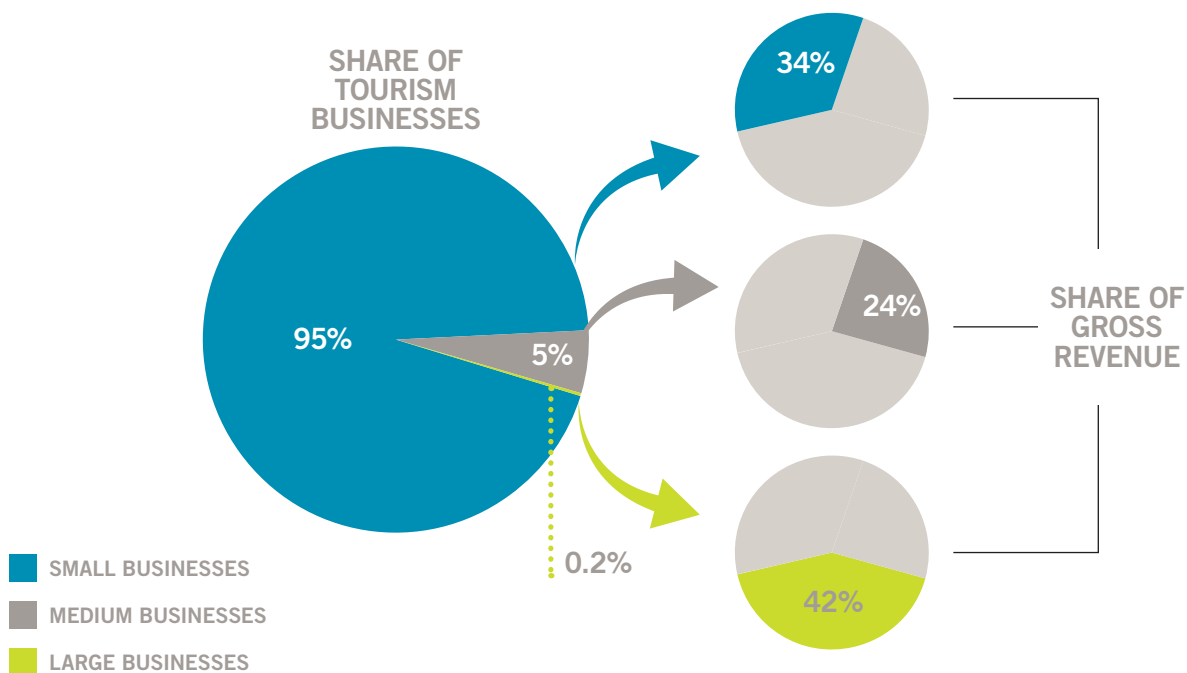
<sup>2</sup> Taxi transport industry is also affected by the rise of shared transport services like Uber which may have been partly responsible for the decline in small businesses in this sector.

## 6. HOW ARE TOURISM BUSINESSES PERFORMING?

Over the 2010–11 and 2014–15 period, the number of total visitors increased at an average annual rate of 2.2 per cent, while visitor nights grew by 3.8 per cent. A greater number of domestic and international visitors resulted in tourism product consumption increasing almost \$18.7 billion, from \$103 billion to \$121 billion. Tourism’s contribution to Australia’s GDP increased 17.9 per cent (or \$7.2 billion) during this period from \$40.3 billion in 2010–11 to \$47.5 billion in 2014–15.

Tourism – like most other industries – was dominated by small businesses in June 2015, while the remaining share was distributed between medium and large businesses. However, this small percentage of medium and large businesses accounted for two-thirds (66 per cent) of total revenue generated by tourism businesses (Figure 5)

FIGURE 5: PERCENTAGE SHARE OF BUSINESSES AND GROSS REVENUE BY SIZE, 2014-15



Source: Derived by TRA using revenue data from the ABS publication, Australian Industry (ABS Cat. No. 8155.0) and ABS Business Register (unpublished) (ABS Cat. No. 8165.0).

## 7. CONCLUSION

With the exit rate of non-employing and micro businesses (-6.2 per cent) exceeding the entry rate of new businesses (4.6 per cent) in June 2015 compared to June 2011, there has been a net reduction in the number of businesses operating in the industry. However, the most significant change is the subsequent increase in the number of small, medium and large businesses with a combined increase of 4.6 per cent since 2011.

Over the years, strong growth in visitor numbers and the related increase in visitor expenditure has encouraged micro and non-employing entities to strengthen their business base and employ more people. Consequently, the structure of the tourism industry has evolved from micro and non-employing business into small, medium and large businesses. This structural transformation within the industry provides it with the resilience and capacity required to support the volumes growth in tourism that is currently happening and in the future. The latest TRA forecasts expect that between 2014–15 and 2019–20, international visitor expenditure will rise by 11 per cent to reach \$56 billion, and domestic visitor spend will rise by 5.5 per cent to reach \$97 billion (TRA 2016).

The structural transformation within the industry has had some positive outcomes, particularly for small businesses (employing less than 19 persons), where revenue per business rose by 2.6 per cent annually on average between 2010–11 and 2014–15.

Despite only 34 per cent of all tourism businesses being located outside of the capital cities, 45 cents in every tourism dollar is spent in regional Australia. Although average spend per visitor in regional areas is less than in capital cities in most states and territories, the volume of visitors to the regional areas was much higher when compared to the capital cities. This highlights the importance of developing targeted strategies to make regional areas more accessible to visitors, especially the high spending international visitors. This is particularly relevant in mining states where businesses are transitioning from catering to the needs of the mining industries to those of the tourism industry. Continued development of strategic policy and investment initiatives (including those concerning tourism-related infrastructure), is also required to support business growth in regional Australia.



Image: NOOSA International Food & Wine Festival 2013  
Image courtesy of John Montesi and Tourism Australia



## 8. METHODOLOGY

The methodology used in this report applies a narrower definition of tourism industries in Australia than classified in the ABS' *Tourism Satellite Account* (TSA) (ABS 2016b). To avoid an over representation of businesses in tourism, (TRA) does not report on the tourism industries that contributed less than 5.0 per cent to the individual industry's GVA. These industries also contained large numbers of businesses:

1. *Ownership of dwellings*, consisting mainly of the many small residential property owners in Australia. This industry's contribution to total GVA represents 2.7 per cent, and there were around 54,600 actively trading businesses in June 2015.
2. *Other road transport*, consisting mainly of private freight services. This industry has a reliance on tourism of 2.9 per cent, and there were around 48,800 actively trading businesses in June 2015.
3. *Education and training*, which is more reliant on non-tourists (Australian resident students or overseas students who are undertaking a course for longer than one year)<sup>3</sup>. This sector has a 4.8 per cent reliance on tourism. In June 2015, there were around 23,700 actively trading businesses.

<sup>3</sup> This does not comply with international tourism standards (please refer to [www.unwto.org](http://www.unwto.org))



Image: Sydney Hotels  
Image courtesy of Tourism Australia

## 9. REFERENCES

Australian Bureau of Statistics 2016a, *Count of Australian Businesses, Including Entries and Exits*, Catalogue No. 8165.0, ABS, Canberra.

Australian Bureau of Statistics 2016b, *Australian National Accounts, Tourism Satellite Accounts 2014–15*, Catalogue No. 5249.0, ABS, Canberra.

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## APPENDIX A: GLOSSARY

**BUSINESS:** A business is generally considered to be a person, partnership, or corporation engaged in business or commerce.

**BUSINESS CONSOLIDATION:** Occurs when small businesses grow in employment size and, as a result, change from one business category to another based on employment size.

**CAPITAL CITIES AND REGIONAL AREAS:** Capital cities refer to the eight capital cities of Australia plus the Gold Coast. Areas other than these capital cities are considered regional areas.

**CONFIDENTIALISATION:** When publishing data which are highly disaggregated (SA2 level), it is necessary to suppress the data cells which contain very small counts to prevent the potential identification of individual businesses. This process is known as confidentialisation and can lead to data that differ from the estimates once aggregated. For example, counts at the tourism region level are the sum of counts at the SA2 level. Thus confidentialisation at the SA2 level could result in different business counts to the actual number at the tourism region level.

**EMPLOYING BUSINESSES:** Employing businesses are split into four employment sizes - Micro (1-4 employees); Small (5-19 employees); Medium (20-199 employees) and Large (200+ employees).

**GROSS REVENUE:** The value of output produced during a period before paying for any expenses.

**INDUSTRY CLASS:** The Australian and New Zealand Standard Industrial Classification (ANZSIC) structure comprises four levels, of which industry class is the finest level. Activities are narrowly defined within the industry class level, which is identified by a four-digit code, e.g. Industry Class 1510, *Pulp, paper and paperboard manufacturing*. Usually, an activity is primarily defined to one class. However, some activities may be primary to more than one class.

**INDUSTRY DIVISION:** The structure of ANZSIC comprises four levels, of which industry division is the broadest level. The main purpose of the industry division level is to provide a limited number of categories which give a broad overall picture of the economy. There are 19 divisions within ANZSIC.

**INDUSTRY SUBDIVISION:** This is the broadest level category within each industry division of ANZSIC and is identified by a two-digit code, e.g. Industry Subdivision 14, *Wood product manufacturing*. Industry subdivisions are built up from industry groups which, in turn, are built up from industry classes.

**NON-EMPLOYING BUSINESSES:** Non-employing businesses are the businesses in the Australian Taxation Office Maintained Population (ATOMP) that have not remitted Business Activity Statement (BAS) data for their Income Tax Withdrawal (ITW) role for five consecutive quarters prior to the reference period. Such businesses include self-employed people such as taxi drivers and takeaway or grocery shop owners who do not employ people other than themselves, but possess an Australian Business Number (ABN).

**TOURISM BUSINESS:** Business related to an industry classified as a tourism industry in the National Tourism Satellite Account (ABS Cat. No. 5249.0). Since it is difficult to allocate a part of a business that serves tourists as opposed to non-tourists, all businesses in a tourism industry are considered tourism businesses.

**TOURISM GROSS DOMESTIC PRODUCT (GDP):** Tourism Gross Value Added (GVA) plus net taxes on products that are attributable to the tourism industry (tourism net taxes on products).

**TOURISM GROSS VALUE ADDED (GVA):** The value of tourism output at basic prices, less the value of the inputs used in producing these tourism products.

**VISITOR CONSUMPTION:** The sum of money paid by visitors to retailers in the process of buying tourism goods and services plus value of the goods and services consumed by visitors but paid by any other person on the visitor's behalf. For example, cost to a friend or family member when a visitor stays with them; cost to the government for a visitor's free entry to a museum or art gallery.

**VISITOR EXPENDITURE:** The sum of money paid by visitors to retailers in the process of buying tourism goods and services.