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Please find attached some excerpts from a report that looked into the economic analysis re koala. The report is over ten years old but gives an indication of the impact the Koala has to our tourism economy.

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Koalas and Tourism: *An Economic Evaluation*

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is due to the attraction of wildlife. At the most conservative estimate, 11 per cent of all overseas tourists are specifically attracted by wildlife. While a preference to see koalas is a sub-set of a preference to view wildlife, the evidence suggests that koalas are particularly important in the decision to visit Australia rather than some other tourist destination.

The figures of 11 per cent and 22 per cent have been applied to the economic data available on expenditure by, and economic impact of, overseas tourists, with the aim of indicating the dollar significance of wildlife, and to derive an upper estimate of the economic importance of koalas.

This 'top down' approach assumes that *all* expenditure in Australia by the 22 per cent of tourists attracted by wildlife can be attributed to the attraction of wildlife. More conservatively, the top-down approach assumes that the 11 per cent of tourists who would not come to Australia if there were no wildlife is translated into an 11 per cent loss in tourism revenue. This gives a higher estimate than the 'bottom up' estimate generated in the next section.

Expenditure by overseas tourists is equated to export revenue by including all expenditure in Australia and on travel on Australian airlines. As reported above, this was \$16.1 billion in 1996. Applying the proportions of 11 per cent and 22 per cent to this amount gives a range of \$1.8 billion to \$3.5 billion of expenditure by overseas tourists in Australia that can be attributed to the attraction of wildlife. It has been argued above that koalas are the major wildlife attraction. From that it is possible to suggest that the \$1.8 billion per annum is an upper limit to economic importance of koalas to foreign tourists.

The expenditure by overseas tourists can be expressed in terms of other indicators of economic impact such as contribution to GDP, employment generated, and multiplier effects in the economy. It was noted above that the contribution of overseas tourism to GDP is around 1.65 per cent. Applying the proportions of 11 per cent and 22 per cent to this gives a range of 0.18 per cent to 0.36 per cent of GDP. To place these proportions in context, it should be recognised that the real annual growth in GDP in recent years has been around 1.5 to 2.5 per cent.

In terms of employment, overseas tourism as a whole contributes around 1.73 per cent of all employment. Eleven per cent to 22 per cent of this contributes 0.19 per cent to 0.38 per cent of employment in Australia. Thus 14,700 to 29,500 people are directly supported in employment due to the attraction of wildlife to overseas tourists. Much of this can be attributed to koalas. These direct economic impacts of expenditure by overseas tourists measured by contribution to GDP and employment are summarised in Table 20.

Table 20 Direct economic impacts of overseas tourism to Australia, and the proportion of tourism attracted to Australia by wildlife

	Attracted by wildlife		Total
	11% of overseas tourists	22% of overseas tourists	100% of overseas tourists
Expenditure	\$1.8 billion	\$3.5 billion	\$16.1 billion
Contribution to GDP	0.18%	0.36%	1.65%
Employment (%)	0.19%	0.38%	1.73%
Employment (no.)	14,700	29,500	133,900

Direct plus indirect effects

Expenditure by tourists on the goods and services offered by businesses that make up the 'tourist industry' has flow-on effects to other parts of the economy which supply inputs, and as employees in these industries in turn spend their wages and salaries in the economy. These are termed indirect effects. 'Multipliers' can be estimated to describe the indirect effects, and the combined direct and indirect effects, of expenditure by tourists.

The Bureau of Tourism Research acknowledges that tourism has indirect effects in terms of output and employment supported in other industries that are in addition to the direct effects of expenditure by tourists, reported above (Skene 1996). The BTR has not in recent years calculated the indirect effects of tourism expenditure. However, an estimate of direct plus indirect effects of tourism in Australia has recently been published by the Tourism Council of Australia et al. (1997). This estimate employs a methodology used by the World Travel and Tourism Council. Selected direct plus indirect effects of all tourism in Australia are estimated at:

- 10.5 per cent of GDP;
- 11.5 per cent of employment, being nearly 1 million jobs, that is 1 in 9 jobs.

If overseas tourism contributes 25 per cent of this combined effect (the share of overseas tourism in total tourism in Australia), the contribution of overseas tourism is 2.6 per cent of GDP and 2.8 per cent of employment. The contribution of the 11 per cent to 22 per cent of overseas tourists attracted by wildlife therefore ranges from 0.28 per cent to 0.57 per cent of GDP and 0.32 to 0.63 per cent of employment.

Future growth